COMMERCE AMERICA
FORMERLY COMMERCE TODAY
U.S. Department of Commerce / May 24, 1976

# Marine Simulator To Aid Ship Handlers For Tight Situations

# Newsmemo

Getting new products into the marketplace from federally-funded R & D is a matter of "pull" more than "push." This is the conclusion of a report prepared for Commerce's National Bureau of Standards by an Arthur D. Little team. The "pull" refers to consumer or market incentives; the "push" derives from the newly-gained R & D results. In all, the study found six factors necessary to translate research and development into successful products: the technical breakthrough, consumer needs, a committed producer, availability of resources (human, technical and financial), favorable risk factors, and the right timing.

American business has about five to ten years to make its case with the people. Robinson F. Barker, chief executive of PPG Industries, rings that alarm bell in noting that many of today's critics of business want to destroy the free enterprise system itself. The response, Barker believes, lies in "seeking understanding and support of natural constituencies (of the traditional system), primarily employees . . ." He also comments that "living in the goldfish bowl will be uncomfortable for a while, especially since most business leaders are unaccustomed to the glare of attention and publicity." He urges a basic response of "openness, honesty and the marketing of good products at a fair price."

In Ohio, export promotion has a neighborly flavor. The annual AIM award given in Cleveland stands for Associates in International Marketing. Lester P. Aurbach of the Ohio Foreign Commerce Assn. explains what "associates" means: "The main point is that this AIM award is always given to a company that has contributed personnel and facilities to other companies that might be involved in expanding export business." To a list that includes Eaton, Diamond Shamrock and Lubrizol, the name of Picker International is being added this year.

Emission standards are shifting leadership in truck sales to heavier models. Traditionally the light Class I trucks (6,000 lbs. gross-vehicle-weight and under) lead by a wide margin. But this year Class II trucks (6,001-10,000 lbs. GWV) have moved ahead. Underlying this shift is an Environmental Protection Agency requirement that the Class I trucks meet passenger car emission standards requiring use of catalytic converters. Some truck buyers contend the converters create fire hazards. They also entail use of lead-free gas, not always available on farms and in rural areas. Meanwhile the EPA is seeking to move the Class I weight limit up to 8,500 lbs. GWV.

Necessity is the mother of . . . U.S. photo film makers are the largest single end-users of silver, accounting for about a quarter of all U.S. domestic consumption as they coat sensitized film. When silver prices leaped by 73 percent in 1975 over 1973 levels, the industry took an austerity course, reducing its new silver consumption in 1975 by 7 percent, a sharp turnaround in the pattern of annual use. The saving is attributed to miniaturization of film, reduction of silver coating per unit area, new coating technology, and more extensive silver recovery following film processing.

Worldwide competition in manufactured products—what a swing in favor of the U.S.! GM's international marketing director, Richard F. McGill, startles audiences with the changes in this decade in unit manufacturing costs (a mix of wage and productivity comparisons): Germany in 1970 produced at 60 percent of U.S. costs, in 1975, German costs crept past ours; in 1970, Japan's manufacturers turned out goods at 51 percent of U.S. costs, in 1975, at 93 percent; in 1970 Britain was at 94 percent of U.S. costs, in 1975, at 147 percent.

What does it take to be an Export Promotion Multiplier? The Southern Ohio Bank of Cincinnati provides a current example. After discussions with Commerce Department Cincinnati District Office trade specialists and studies of southern Ohio export potential, the bank set up an international department in January 1975 and started an extensive correspondent bank network abroad. This commitment produced "a definite demand for financing of the foreign buyer," according to Southern Ohio Bank vice president Joseph F. Falsetti. And using both Eximbank and direct lending on behalf of local producers, the bank official reports that "results of these efforts have been exceptional in creating profits and increasing sales." Recognition has now come through Commerce's designation of the bank as a Multiplier.

# COMMERCE AMERICA

FORMERLY COMMERCE TODAY

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**COVER:** Keeping human error to a minimum on the high seas is the aim of a simulator dedicated earlier this month at the National Maritime Research Center at Kings Point, N.Y., designed to evaluate human factors, ship handling and navigational standards, bridge layout and equipment and collision-avoidance procedures. Story begins on page 4.


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ECONOMIC HIGHLIGHTS

# Moderate Rise Expected In Short-Term Interest Rates

*Economic Highlights is prepared by Maynard Comiez, Acting Chief Economist for the Department of Commerce.*

Interest rates have started moving upward in recent weeks in reaction to an apparent move by the Federal Reserve System toward a slightly tighter monetary policy. There are indications that further moderate rises in short-term interest rates can be expected during the year as the economic expansion continues. Long-term rates are more difficult to forecast since they are more heavily influenced by the outlook for inflation.

The expectation of future inflation kept interest rates from dropping sharply in 1975 and in 1976 to date, and they remain high by historical standards, especially for this expansion stage of the business cycle. However, some short-term rates are more than 50 percent below the levels that prevailed in the severe credit crunch of 1974. Long-term rates are 10 to 20 percent below their 1974 peaks.

Several forces combined to raise interest rates in 1974. With inflation accelerating, businesses were borrowing to accumulate inventories to avoid expected cost increases and shortages. Business sales began to fall off due to intensive inflationary pressures. The reduced sales income impaired business cash flow. To help counter accelerating inflation, the Federal Reserve System (FRS) adopted an extremely tight monetary policy that drove the Federal Funds rate to an historic high of 12.9 percent in July 1974. The prime rate charged to the most credit-worthy businesses averaged 12 percent in August and September 1974. The effective interest rate was even higher because banks required borrowers to leave a part of their loans on deposit at the bank. With their reserves depleted by the tight money policy, banks sold Treasury securities to obtain funds, and the yield on Treasury bills rose to 8.7 percent in August.

In 1974, commercial banks were limited to an annual interest payment of 5 percent, and savings and loan institutions to 5½ percent, on time and savings accounts. Consequently, investors withdrew savings and demand deposits and bought Treasury securities in order to take advantage of the much higher yields. The supply of funds available for housing loans was reduced, and mortgage interest rates rose to 10.4 percent in September 1974, as shown in chart 4.

Similarly, stock owners sold their equity certificates and bought debt issues since the yield on bonds of similar risk and liquidity was significantly higher than the yield on common stock. Stock prices were adversely affected, too, by declining corporate profits and inflationary expectations. Chart 3 traces the inverse relationship between yields on long-term AAA corporate bonds and Standard and Poor's 500-stock average. During 1974 there was a close relationship between rising bond yields and falling stock prices.

In late 1974, the effects of a deepening, full-scale recession became apparent. Retail sales, especially of consumer durables, declined sharply. The decline in housing starts became more pronounced, and unemployment increased. The FRS adopted a much more accommodative monetary policy in face of the deepening business downturn, and short-term interest rates began to fall sharply after the August and September highs.

The business recovery began in the spring of 1975. Retail sales began to improve somewhat earlier—in December 1974. Manufacturing and trade inventories were drawn down, and rising corporate cash flow was used to improve b 'siness liquidity positions. Meanwhile, the FRS continued its accommodative monetary policy. With reduced demand for business loans and the increased supply of reserves to the banking system, short-term interest rates fell.

Bank reserves accelerated sharply just before the turnaround in production that began in April, and they continued to grow throughout the second quarter of last year. Short-term interest rates reached a trough in June, and then rebounded during the third quarter, only to fall once again to lows recorded in February 1976. Charts 1 and 2 depict these declines from 1974 peaks which were the highest rates since the Civil War. New issues of high-grade corporate bonds are used in Chart 1 to exemplify the high interest costs of new, long-term business borrowing during 1974.

Compared with the peak of 7.33 percent in August 1974, the yield on Treasury bonds was 6.77 percent last month; the 3-month Treasury bill rate averaged 4.87 percent in April as compared with 8.74 percent at its earlier peak. Treasury securities are free of the risk of default and therefore have a lower yield than all other comparable, taxable domestic debt.

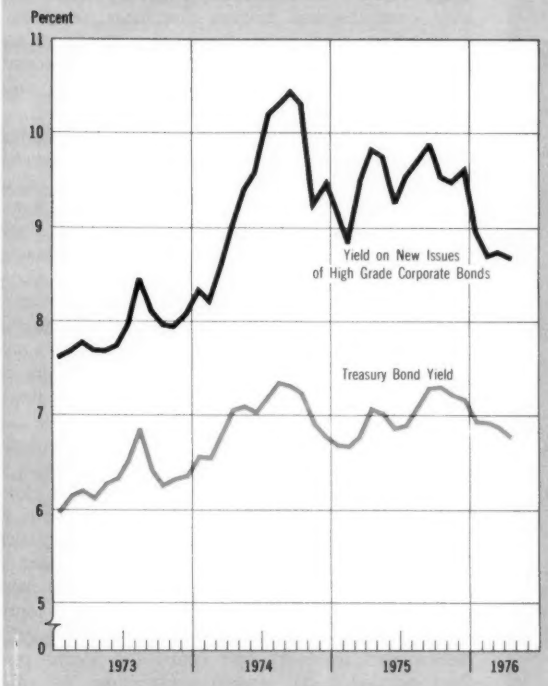
Inflows of funds to thrift institutions have benefitted by the falling yields on these alternative investments. Also, the Tax Reduction Act of 1975 increased per capita disposable income both through tax reductions and direct transfer payments and this contributed to increased savings flows. Chart 4 shows the influence of savings inflows on mortgage interest rates. The inflows, which set records in several consecutive months in 1975, reached a high in January 1976, and helped reduce the mortgage rate to 8.82 percent in April of this year.

For the remainder of 1976, interest rates will probably rise modestly because of increasing demands for business loans and a slightly less accommodative monetary policy. The upper limit of the target range for monetary growth was reduced recently by one-half of a percentage point. In the past few weeks, the Federal Funds rate has moved from an average of 4.75 percent to slightly over 5.00 percent. Since recent growth in the money supply has been above the newly targeted rate, the FRS will probably continue to support the higher Federal Fund rate.

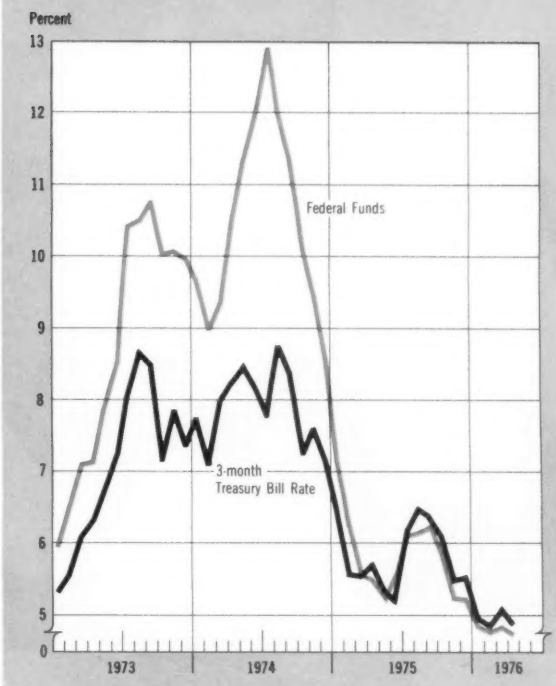
With continued expansion of retail sales, inventory/sales ratios have been reduced to more acceptable levels. If businesses expand their stocks in line with increasing sales as expected, the financing of inventory accumulation will require more business loans and may exert further upward pressure on short-term rates.

Yields on bonds have risen recently because of increased supplies, which drove prices down and yields up. Even though the Treasury does not usually need large new debt financing in the second quarter when income tax receipts are heavy, a large supply of bonds is assured because of heavy corporate offerings. However, the most significant factor in determination of changes in long-term rates is the expected rate of inflation. After allowance for temporary factors, the underlying annual rate of consumer price increases is about 5 to 6 percent. The many influences on long-term issues preclude precise predictions on the movement of long-term interest rates. Since businesses are in a position to finance a large proportion of their capital spending from internal funds and there is little likelihood of a new wave of inflationary pressures, no sharp rises in long-term rates are anticipated. Given the probability of increased business loan demand and the less accommodative monetary policy, short-term interest rates should increase moderately during the balance of the year.

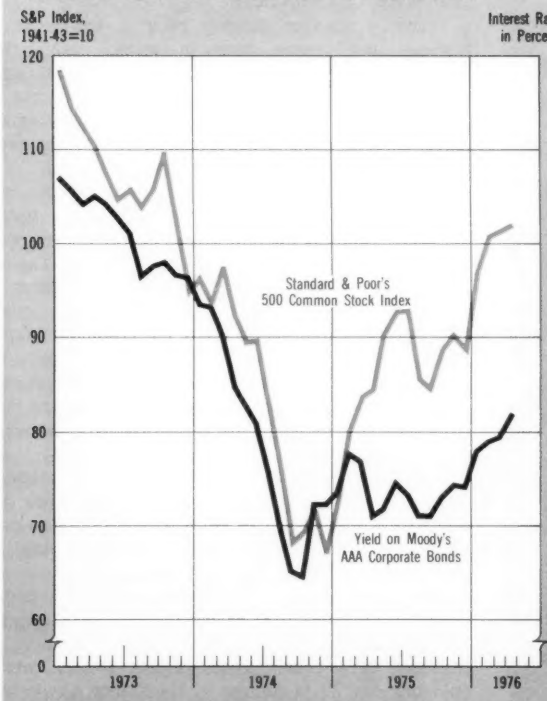
## Long-Term Interest Rates 1



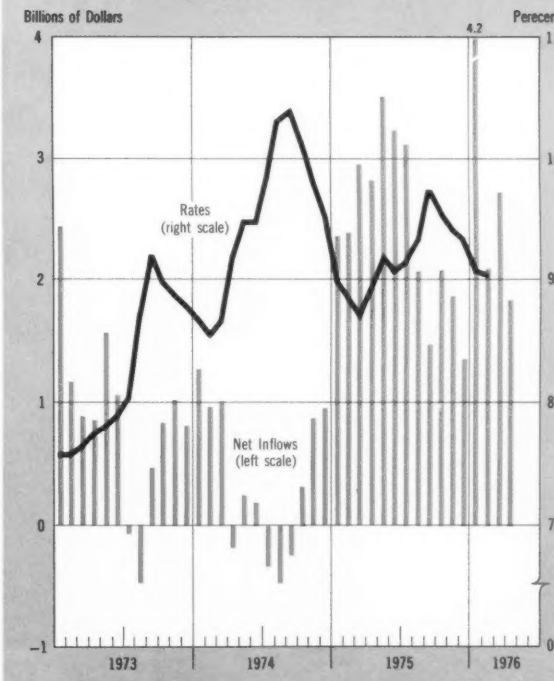

## Short-Term Interest Rates 2




## Relationship Between Stock and Bond Prices 3




## Net Savings Inflow at Savings & Loan Institutions and Mortgage Interest Rates 4



## MERCHANT SHIPPING TO PROFIT FROM NEW

# MARITIME SIMULATOR

Everything but the casualties!

That's what the Maritime Administration's new computerized marine simulator provides for researchers trying to learn the complexities of handling modern merchant ships in order to reduce the danger of collision or other disasters on the world's increasingly-clogged waterways.

Described as the world's most sophisticated maritime research simulator, the Computer-Aided Research Facility is designed to conduct a wide range of experiments evaluating human factors, ship handling and navigational standards, bridge layout and equipment and collision-avoidance procedures.

During the May 10 dedication ceremony at the National Maritime Research Center at Kings Point, N.Y., Robert J. Blackwell, Assistant Secretary of Commerce for Maritime Affairs stressed the need for improved methods and equipment to prevent ship collisions and groundings.

"During the past 20 years the size of the world's merchant fleet has increased by 50 percent and the ships have grown larger, wider, and deeper. Between 1960 and 1970 the worlds' merchant fleet grew from 17,222 to 19,415 vessels. More significant, however, was the growth of the world tanker fleet in that period. The number of tankers increased from 3,401 to 3,967 and their combined tonnage nearly doubled, from 62.5 million to 124.3 million deadweight tons. At last count the world tanker fleet totaled 5,311 vessels comprising 302 million deadweight tons.

"Obviously, this growth dictates the need for more effective procedures and equipment for preventing vessel accidents."

Studies have shown that almost 85 percent of vessel accidents are caused by human error. The new simulator is essentially an attempt to keep that error to a minimum.

"With a greater density of ship traffic in our harbors and larger ships in service, we believe CAORF represents an important and constructive step forward which will provide insight into the causes of ship mishaps and lead to the development of improved equipment and ship operating procedures to reduce such risks," Blackwell said.

The research will provide the answers to questions concerning proposed new ship hull designs, harbor configurations, and operating procedures in a controlled environment, without any of the risk and at a fraction of the cost of at-sea testing.

Most important, however, will be the insights into the human element in shiphandling. The experiments made possible with the simulator's advanced technology will help to discover additional information concerning human error, its causes, and ways in which it can be reduced on existing vessels as well as new vessels.

Researchers will be able to closely examine the behavior of the men on a ship's bridge as they navigate a harbor under almost any circumstances, including zero to full visibility, night or day, and even to the point of collision with another vessel.

The land-based maritime research facility realistically simulates vessel operations in port or at sea. The new device accurately reproduces the response of a vessel to its crew's actions and its environment. It is unique in its ability to simulate a full-color marine environment and introduce controllable ship traffic into this environment.

The computers can be programmed to provide the ship handling characteristics of any type of vessel. They also can portray the configuration and landmarks, channel markers, and other special features of any harbor in the world.

Through this research Maritime hopes to evaluate, among other things, radar's effectiveness as a collision avoidance tool, the relative merits of various bridge layouts, new procedures and equipment for ship operations, restricted waterway operations, and undertake other projects of interest to the maritime industry.

The newly-dedicated simulator is only one component of the National Maritime Research Center (NMRC) at King's Point, N.Y., which was opened in June 1971. For example, the NMRC provides a specialized staff and the most up-to-date equipment for the analysis of ship operations. Its Maritime Coordination Center (MCC) has proven the feasibility of applying satellite communications to commercial ship operations, and U.S. companies are presently establishing the operational satellite systems. MCC will now serve as a clearinghouse for data gathered by satellite ship-to-shore communications research projects. Fleet management experiments utilizing the commercial satellites will be conducted from the MCC with the cooperation of several shipping companies.

The NMRC activities are only a part of the Maritime Administration's overall R & D program directed toward improving the productivity and competitive posture of the U.S. merchant marine through technology-based innovations. It conducts this research through its Office of Commercial Development in Washington.

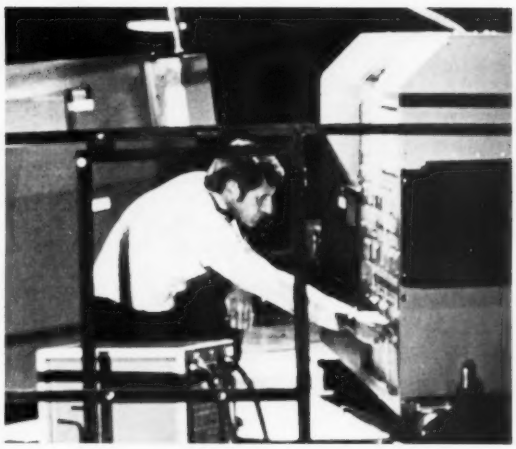
In the area of ship development, the Office's program aims to improve U.S. shipyard operations, develop advanced ship machinery, and apply nuclear power to ship propulsion. In ship operations, the aim is to apply advanced computer technology to fleet management and cargo movement control, to automate ship control functions, and to improve communications, navigation and other operations which will improve the safety and productivity of the U.S. merchant fleet.

In addition to these primary areas, research is conducted in domestic shipping, port and intermodal development, offshore terminal systems, and various other subjects. Administrative and technical projects have been developed to study the effects of river level fluctuations on inland ports, to project port planning requirements, to improve port facilities, and to assist port marketing efforts.

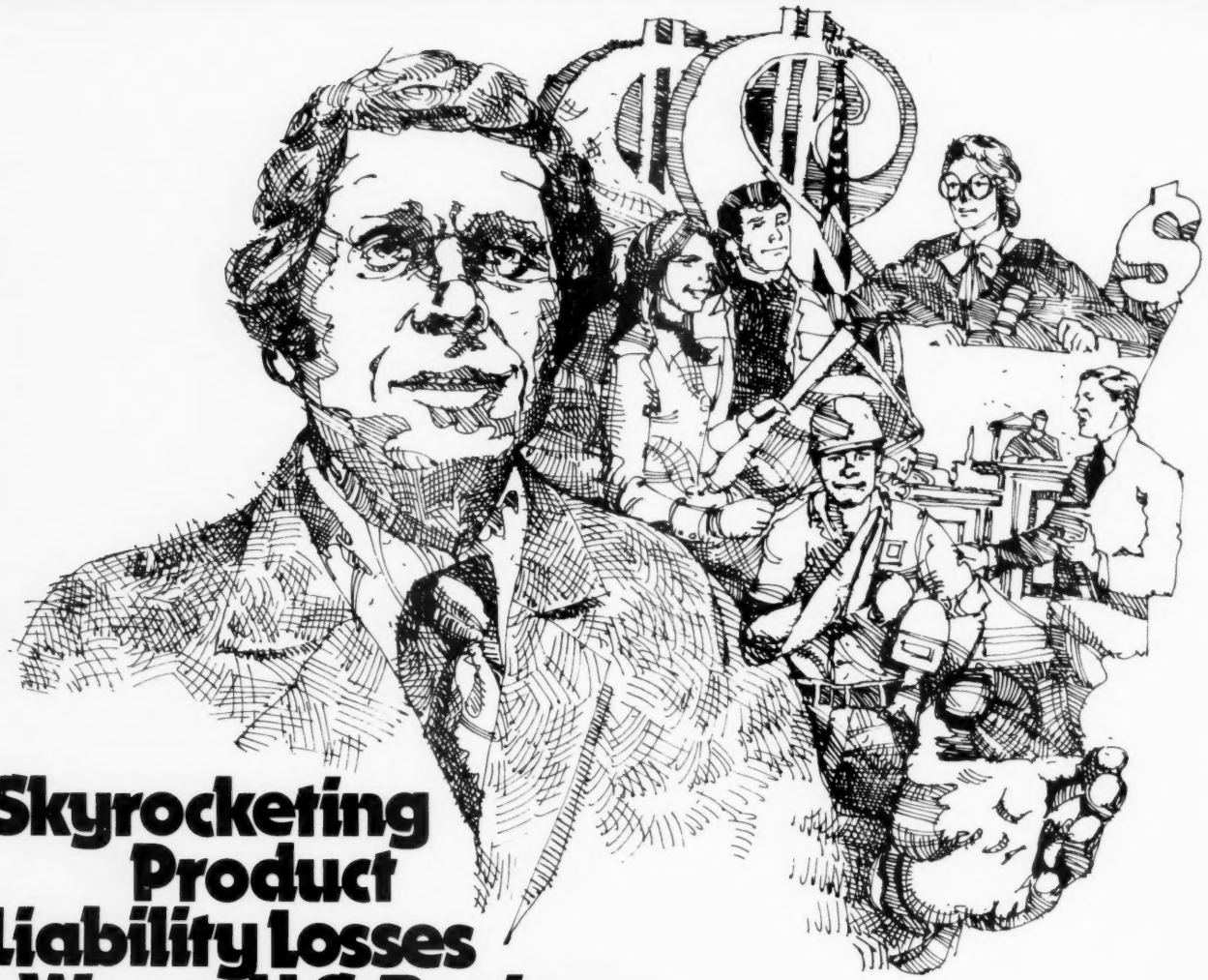
Shale oil has been successfully tested as an alternative fuel for marine applications on the Great Lakes, and a VHF-FM telecommunications system was developed which permits Great Lakes vessels to dial directly into commercial telephone lines. About half of the Great Lakes bulk carrier vessels have participated in testing this system.

To assure industry participation in these projects and the ultimate use of new developments, the Agency encourages cost-sharing by industry. Cost-sharing has reached the 50 percent level in the Advanced Ship Development and Advanced Ship Operations programs.

Technology transfer programs originated through Maritime's research and development programs provide additional incentives for industry to adopt innovative hardware and procedures. ☆



*Computers can be programmed (top) to provide the ship handing characteristics of any type of vessel, particularly under circumstances of limited mobility (center). Bridge equipment can also portray the configuration and special characteristics of any harbor in the world (below).*



# Skyrocketing Product Liability Losses Worry U.S. Business

A major problem has developed for U.S. manufacturers in the field of product liability reflected in mounting damage claims, soaring court judgments, skyrocketing insurance premiums, rising insurance cancellations, increasing difficulty on the part of many companies in obtaining product liability insurance, and acute financial distress for many firms, especially small businesses.

A comprehensive discussion of the problem is embodied in a 233-page report on the results of a Commerce Department study to develop a data base on the problem. The study team canvassed 140 trade associations, manufacturers, and distributors by phone, using a standard set of questions approved by the Office of Management and Budget (OMB). Also consulted were insurance companies, state insurance departments, and a number of insurance groups, officials, and other informed persons.

The data, although meager, says the report, indicate that there is a product liability problem which is extensive and increasing. However, the lack of comprehensive data prevented the study team from performing a definitive analysis of the causes and effects of the problem and its severity, or to properly analyze any of the 21 remedies proposed by various industry and government groups.

The review established that many industries are experiencing difficulty in obtaining product liability insurance, especially in the case of small businesses. Industry sectors that have been severely affected include machine tools, industrial chemicals, pharmaceuticals, general aviation, and many sectors of capital equipment.

## The problem

The average loss per product liability claim has risen at a much greater rate than inflation. A leading insurance consultant reports that the average loss increased from $11,644 in 1965 to $79,940 in 1973, a jump of 686 percent in eight years compared to a 60 percent advance in the general price index.

The combined loss and expense ratio for product liability insurance reported by the Insurance Service Office (ISO) was about 200 percent in 1973. That is, for every $1 in premiums, $2 was either paid or reserved for payment of claims.

The cost of legal defense for product liability claims has increased so that today it accounts for

more than 30 cents of each $1 of premiums written.

The property casualty insurance industry has just experienced its worst year in history, reporting statutory underwriting losses for 1975 which could exceed $4.2 billion. This follows 1974 losses of $2.6 billion, which were coupled with a $6 billion capital loss in the 1974 bear market.

Product liability insurance premium volume is already estimated to be more than that of medical malpractice. One report estimated the total at $1.5 billion for 1975, or double the $750 million for malpractice.

Loss of surplus by insurers coupled with substantial statutory underwriting losses in product liability have caused many insurers to restrict their underwriting in this area.

Miscellaneous liability produced a combined loss and expense ratio of 116.2 in 1975, or a statutory underwriting loss of $620 million. That is, for every dollar of general liability premium there was a statutory underwriting loss of 16 cents. Miscellaneous or general liability includes product liability, medical malpractice, and various other coverages.

Product liability insurance is estimated by various sources to account for about 40 percent of the total reported miscellaneous liability premiums. Using the estimated $3.7 billion miscellaneous liability premiums written for 1975, and adjusting this figure upward to reflect excess-surplus and package product liability protection, produces total written premiums for miscellaneous liability of at least $4 billion, not including product liability experience for self insurers.

Using 40 percent of this figure, total product liability premiums would have been about $1.6 billion in 1975.

### Roots of the problem

In discussing the causes of the problem, the report points out that one of the most critical areas of concern for the business community has been its liability for products sold.

The trend towards increased litigation became more pronounced in the mid-sixties and has been increasing at an ever-expanding rate. Then too, as the number of suits has increased, so have the amounts of the judgments against manufacturers, processors, wholesalers and retailers. No one in the marketing and producing chain has been immune.

The reasons for this increase in product liability and product claims are probably three-fold: changing legal concepts, the growth of consumerism, and the relationship to employee injury and worker compensation.

The changing legal concepts, namely, diminution of the right of privity, the trend towards absolute liability, and the increased tendency toward class actions, have made it easier for a claimant to sustain legal action and to collect damages. These trends have served to make industry more responsible for its actions. Contingency fees paid to attorneys also are alleged to be increasing the number of product liability suits.

The growth of consumerism, or the increased demand on the part of the consumer for safer or cleaner products, has given impetus to changing legal concepts.

The shift towards strict liability of producers has occurred at a time when employees are electing to receive worker compensation benefits which must be provided by employers and then sue the producer of the equipment or product alleged to have caused the injury.

U.S. business has been faced with an upward spiraling growth of product liability claims while the amounts paid in damages for product liability losses has also been increasing.

Today, product liability provides that manufacturers or sellers of goods are charged with a duty of care to the users of these items. If this duty of care is not satisfied, the manufacturer or seller will be liable for any injuries sustained by the user of the product.

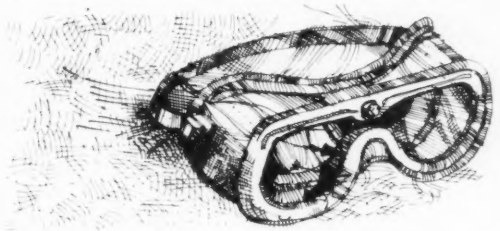
For many years, the legal principles of product liability remained relatively constant, with only minor changes. However, over the last few years there have been a significant number of changes which are causing problems for the manufacturer, the seller and the liability insurers. Changes in the thinking of our society have had a strong influence on judicial reasoning in product liability cases. There is without question a developing strong public interest in human safety which has assisted in the development of two growing concepts.

The first concept is that the manufacturer, and not the injured consumer, is in the best position to bear the burden of accidental injuries and commercial losses caused by a defective product. The manufacturer can purchase some form of insurance or go uninsured. He can also choose to absorb losses which occur, or pass them on to other consumers by increasing the cost of the product.

A second concept is the theory that anyone who enters a special field of manufacturing does not merely warrant that he will conduct his business as a reasonable man but is alleging that he possesses the knowledge and skill of an expert and that his product will be free of defect.

**Anyone who enters a special field alleges that his product will be defect free**

As a result of these concepts and due to the increasing public interest in human safety, the law of product liability is moving toward strict liability



on the part of the manufacturer for any item he produces. There is a growing trend to impose liability on the manufacturer even if he exercised his best judgment and utilized the best material in making the product.

The report points out that the manufacturer's duty to warn of the dangerous characteristics of his product has been expanded to a point where it creates a serious problem for many manufacturers, since they must anticipate all possible and reasonable ways that their product could be misused.

It is important, the report adds, that the manufacturer recognize that many different persons of all ages and a variety of educational backgrounds may utilize his product, and thus the directions and warnings must be intelligible to all. When disputes arise, the court decides each case on its own facts, and in each instance the jury makes a care-

ful examination of the label and the instructions that accompanied the product.

Lawsuits involving design defects are relatively new. Historically, the courts were most reluctant to impose liability because of design defects but today the situation is in the process of changing. In establishing the fact of a negligent design, the consumer usually must prove one or more of the following: (1) there are insufficient safety devices in the product; (2) there is an inherent danger in the product as a result of the design; and (3) to comply with the design, the manufacturer had to utilize materials which were not strong enough to comply with accepted standards.

The report states that manufacturers can anticipate a greater number of claims, and should also anticipate that many of these claims will be successful and that substantial judgments will be awarded.

### Reaction

Increasing product liability claims and insurance problems have led manufacturers to take steps to reduce product liability exposure and to transfer premium costs to product prices. Such changes in manufacture, marketing, and product development have included: product redesign and testing; product recall and special equipment servicing; increased reports by manufacturers on product testing, product modification and service calls; retrofitting products with safety devices; increased emphasis on quality control; reducing expensive advertising claims and warranties; increased emphasis on safety engineering and loss control; improved reporting on product-related injuries.

**Manufacturers perform independent testing and guaranteeing of merchandise**

The increasing number of product liability lawsuits, the report says, is affecting the legal system. Court case backlogs are lengthening because of the number of lawsuits, and the average time that product liability lawsuits remain open is increasing. Also, multiple product liability suits are becoming more prevalent. Wide variations in product liability case law among the states are further complicating the problem.

Irwin Gray, in his book entitled "Product Liability: A Management Response," lists the following ways in which some firms have undertaken to protect themselves:

- Developed legal defenses by working closely with the Defense Research Institute, which provides help in locating expert witnesses, publishes material for management and defense attorneys, and aids in locating useful publications and records.
- Established national standards organizations; adopted federal or state agency standards as performance minimums; made increasing use of independent laboratory certifications, such as those of underwriters' laboratories.
- Adopted the standards of national societies such as American Society of Mechanical Engineers, the American Society for Quality Control, and the Institute of Electrical and Electronics Engineers; and set up manufacturers' captive organizations to perform independent testing or guaranteeing of merchandise.
- Lobbied to forestall consumer legislation.

Other measures have included tightened up advertising; tightened up design; closer control on manufacturing methods and personnel; better quality control procedures; increased product liability insurance; expanded and improved legal staff; expanding the risk management function; establishing independent corporate level safety watchdog committees; and hiring independent consultants.

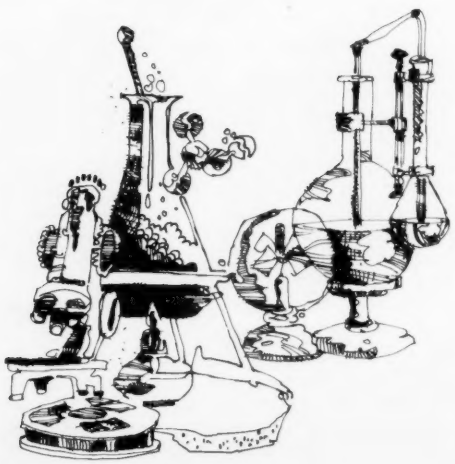
Insurance companies, the report explains, also have adopted a number of measures to reduce their exposure to product liability claims, such as: more stringent underwriting for existing and potential insureds; declining to write insurance for certain products and industry sectors; use of "prohibited" quotation lists; cancelling high risk policies; reduction in coverage limits; changes in policy wording and form to limit actual insurance coverage; introduction of layers of coverage; suggestions that manufacturers institute specific loss control procedures; suggestions to insureds to improve product design, safety engineering, quality control, etc.; introduction of deductibles; home office underwriting control on product liability policies quotation on renewal; and revisions in claim audit and review. ☆

An interagency task force to deal with the growing problems of product liability has been appointed by Secretary of Commerce Elliot L. Richardson.

"The necessity for such a task force is clear, given the increasing volume of product liability claims that has occurred in the last few years and the resulting sharply increased insurance premiums," the Secretary said.

"It is a problem that goes beyond the manufacturer, affecting the consumer, the insurance industry, and the legal system."

The task force will include the Departments of the Treasury, Justice, Labor, Commerce, Health, Education, and Welfare, Housing and Urban Development, and Transportation. Also represented will be the Council of Economic Advisers, the Office of Management and Budget, the Office of Assistant to the President for Economic Affairs, and the Small Business Administration.



# A Set Of Multinational-Governmental Guidelines

A set of guidelines that can significantly shape the relationships between multinational enterprises and the major industrial nations in which they operate is coming off the drawing board after 18 months of effort.

The action is taking place in the Organization for Economic Cooperation and Development (OECD), a Paris-based group of 24 countries that includes the United States, Canada, Japan, Australia and most of the Western European nations. International businessmen in the United States have a prime interest in it because the OECD area contains 70 percent of U.S. direct investment abroad.

The emerging agreement contains voluntary guidelines for the multinational enterprises, on the one hand, and a codification of host government assurances toward these firms, on the other. It also affirms that the OECD itself will work for increased inter-governmental cooperation in the field of multinational business and investment.

In developing the company guidelines, which are voluntary in nature, the OECD negotiators have been challenged to set down collectively what they consider to be high standards of business practice for multinational firms. Their recommendations touch the following aspects of corporate life:

- General business policies, including regard for national environmental goals, social aims and economic and regional development, cooperation with government information requirements, non-interference in political activities, and a prohibition against bribery.
- Public disclosure of information, embodying minimum general standards for disclosure of financial data.
- Financing, which covers the general concept that companies should, in their financial operations, heed established country objectives with regard to balance of payments and credit policies.
- Taxation, which covers furnishing of appropriate information to determine tax amounts, and the use of proper pricing practices between parent and affiliate firms.
- Employment and industrial relations, covering the right of employees to be represented by unions or other bona fide organizations, provision of adequate information to support meaningful collective bargaining, nondiscrimination in hiring and not using the threat to shift production to influence labor negotiations unfairly.
- Transfer of technology, covering encouragement of technology transfer and licensing on reasonable terms and conditions.

On the governmental level, action by the OECD members will contain a number of inter-related aspects, including:

- An affirmation that a liberal international investment climate is in the common interest and that the OECD countries intend to encourage the contributions that multinational enterprises are able to make to their growth and welfare.
- A statement of the basic responsibilities of governments with regard to foreign investment in their areas, in particular the obligation to accord nondiscriminatory treatment to foreign-owned enterprises. That includes an understanding by these governments that they should treat multinational enterprises equitably and in accordance with international law, respect contracts concluded with them, and encourage the use of international dispute settlement mechanisms.
- An agreement among the OECD governments to take each others' interests into account in the field of investment aids and restrictions and to avoid "beggar-thy-neighbor"-type actions aimed at encouraging or discouraging particular kinds of investments in their territories.
- A recommendation to multinational enterprises operating in their territories to adhere to the voluntary guidelines discussed above.
- A consultative process that would keep the experience of firms and governments under continuous review.

Each of these elements is held to be of significant interest to U.S.-based multinational firms. It is apparent today, for example, that governments need to emphasize their commitment to maintain a liberal environment for international investment, if the pressures operating against such an environment are to be turned away. Further, there is a need for governments, in their own interest, to codify their responsibilities toward foreign investors in a contemporary framework. The notion, growing in some circles, that multinational enterprises can operate beyond the law must be countered if public confidence in such enterprises is to be maintained. And there is a need for continuing multilateral consultation, to keep governmental policy declarations firm and effective.

The U.S. Government has consulted closely with U.S. business and other private sector interests in the course of developing its positions on the substance of the OECD code. The Department of State has set up a public advisory committee on multinational enterprises including representatives of the U.S. Chamber of Commerce, the National Association of Manufacturers, the U.S. Council of the International Chamber of Commerce and other business organizations and companies, as well as representatives from labor, consumer groups, the academic community, and the legal and accounting professions. All along it has been an open negotiation and succeeding drafts of the guidelines have been regularly provided to business and other private sector representatives at each stage.

Negotiations, now very close to final agreement on a complete text, are seen to offer significant promise of achieving the objectives for the international investment climate which underlay U.S. participation. ☆

# Energy Management Digest

GROWTH TIE-IN . . . Commerce's Economic Development Administration has approved a $150,000 study of the availability of energy resources that can stimulate economic growth within individual states or regions within states. The Oak Ridge National Laboratory will conduct the study, which is designed to help the states and regions plan their economic research. The study will establish the methodology for measuring energy resources withir the states and sub-state regions and will compile data on energy uses by industry in 1972 and 1973. Projections are to be made on the residential and transportation needs for various types of fuel through 1985. The research will coordinate the local needs with long-range energy programs of the Federal Government.

GOT CARRIED AWAY . . . Because of the excellence of the proposals received in reply to a request for ideas, the Energy Research and Development Administration has selected 50 percent more solar heating and cooling projects for funding than it originally intended. The 34 recently-announced projects include ten office buildings, four schools, three hotels or motels, two fire stations, two factories, one hospital, one laboratory, one library, and miscellaneous other buildings. The amount of federal funding requested for each project ranges from less than $10,000 to more than $1 million. A total of $7.5 million has been allocated to fund them. For each project, ERDA will furnish monitoring equipment that will feed information on the performance of the solar systems directly into a central data processing operation. ERDA Director Dr. Robert C. Seamans, Jr. said that he was "particularly pleased with the level of small business participation in these awards. Our goal was for substantial small business participation in 50 percent or more of the projects. In fact, we achieved 76 percent." A second, similar solicitation for proposals will be issued this fall.

NO PRICE REDUCTIONS . . . Prospects for large reductions in U.S. oil import prices in the near future through new government incentives to oil producers are not promising, according to a recent report which FEA submitted to Congress. The report explains that the single most important component of imported oil prices is the tax revenue collected by the OPEC governments. Some 85 percent of foreign crude oil cost is the result of taxes and royalties that go to producer governments. Most of the remaining 15 percent consists of transportation handling costs, leaving U.S. importing oil companies with as little as 2 percent profit per barrel and very little room for lowering prices. The report concludes that an incentive mechanism tied to reductions in landed cost would add more regulations that would conflict with existing regulatory objectives, would be difficult to define and measure, and would probably reduce only the reported landed oil cost—not the real landed cost—with no benefit to U.S. consumers.

TIDE'S IN, AGAIN . . . Harnessing the tides to generate electricity has not been considered economically feasible in the U.S., but fossil fuel scarcity and rising fuel costs have led ERDA to commission a $168,000 study to determine whether research and development can help make tidal power more economically competitive. New turbine designs will be evaluated, and the potential environmental impact of tidal power will also be assessed. Conducted by the Stone and Webster Engineering Corporation of Boston, the study will concentrate on places with exceptionally high tides, such as Passamaquoddy Bay, Maine, and Cook Inlet, Alaska. In 1958, the United States and Canada jointly investigated the possibility of combining Passamaquoddy Bay Tidal power with conventional hydroelectric generation, but the conclusion was that the project could not compete with electric power generated from other sources. The Corps of Engineers is updating its cost estimates to determine whether today's fuel prices have changed that picture. The ERDA-supported study is designed to find out whether research and development can effect further changes.

SOLAR LAWS . . . Colorado has two new solar energy laws. One promotes ownership by reducing tax assessments on solar units from 30 percent to 5 percent of market value. Another lets Coloradans buy easements—"sunshine rights-of-way"—across neighbors' property, to new solar collectors.

TEXANS TO CUT GAS USE . . . The Texas State Railroad Commission has ordered electric utilities and industrial users to start cutting back on the use of natural gas, because supplies are dwindling. Customers burning at least 3 billion cubic feet daily must cut back 10 percent by January 1, 1981; 25 percent by 1985.

# Economic Recovery Could Also Spur U.S. Industries' Energy Conservation Drive

The current economic upturn is likely to produce a welcome side-effect by improving the results of U.S. industry's energy conservation efforts.

Most production facilities are more energy-efficient when operating at top capacity, and the lower output levels of the recession period often resulted in higher expenditures of energy per unit of production. With economic activity picking up, the energy efficiency of U.S. industrial plants should get a corresponding boost.

Despite the negative impact of the business slowdown, U.S. manufacturers have made significant progress in voluntarily conserving their energy usage, as documented in a progress report compiled by Commerce's Office of Energy Policy and the Federal Energy Administration.

The report consists of material submitted under the voluntary industrial energy conservation program which has been the joint responsibility of Commerce and FEA for almost two years.

"The energy conservation figures supplied by 31 major industry groups indicate industry's ability to manage energy supplies efficiently on a voluntary basis," Commerce Secretary Elliot L. Richardson said.

"As more groups join this program," he added, "we can be assured that private industry comprehends the continuing seriousness of the nation's energy situation and is taking steps to deal with it." Richardson said that discussions are now under way with an additional 20 such industry groups.

He noted, "The determination of management to conserve energy is demonstrated by the figures supplied," although he cautioned that it would be "misleading to generalize about the energy savings of one industry as opposed to another because each industry operates in a different framework."

In this regard, Commerce specialists point out that several industries have always practiced very strict energy conservation, especially those where outlays for energy constitute a major portion of total production costs. For them, significant further savings are difficult, and spectacular ones practically impossible.

Firms that do not consume large amounts of energy in their productive processes, and have not had to place a high priority on energy conservation, are in a position to make much more impressive percentage gains.

Thus, a 1 percent improvement in an energy-intensive industry could represent as much actual saved energy as a 10 or 20 percent gain in an industry where energy is a less significant production factor.

Special circumstances also tend to distort an industry's performance under the voluntary system. For instance, the American Mining Congress reports that the decreasing average ore grade used in the industry, which requires additional energy to process, accounted for a 7 percent increase in unit energy consumption between 1972 and 1975. Industry spokesmen say that regulatory changes, both environmental and safety, are also causing heavier energy usage. These, in addition to such other factors as changes in the distance involved in transporting ore supplies, are expected to result in still further increases.

However, industry sources say that the increases would probably be even larger without the constraining effect of the conservation effort.

The majority of industries participating in the program are working toward a goal of 15 percent reduction in energy use by 1980 compared to usage in 1972,

## Industry Progress Report

| *Industry representative* | *Energy efficiency improvement (%) 1972-75* |
|---|---|
| Aluminum Association | 5.0 |
| American Bakers Association | 2.6 |
| American Feed Manufacturers Association | 22.9 |
| American Foundrymen's Society | 25.6 |
| American Iron and Steel Institute | (2.9) |
| American Meat Institute / National Independent Meat Packers Association | 6.9 |
| American Mining Congress | (21.1) |
| American Paper Institute | 4.1 |
| American Petroleum Institute | 10.3 |
| American Textile Manufacturers Institute | 6.6[1] |
| Biscuit and Cracker Manufacturers Association | 5.8 |
| Brick Institute of America | 6.6 |
| Can Manufacturers Institute | 17.2[2] |
| Computer and Business Equipment Manufacturers Association | 30.5 |
| Glass Container Manufacturers Institute | 0.5 |
| Glass—Flat Glass (Third Party) | 12.2 |
| Glass—Pressed and Blown (Third Party) | 12.6 |
| Gypsum Association | 3.9 |
| Manufacturing Chemists Association | 4.0 |
| National Canners Association | 7.8[2] |
| Portland Cement Association | 1.4 |
| Tile Council of America | 16.6 |

Parentheses indicate negative result
1) Base year is 1973.
2) Latest data are for 1974.

the last full year before the energy crisis. Almost all of the participating industries have reported steady and increasing energy savings.

Data submitted by trade associations show the percentage of increase in energy efficiency of participating companies over the base year of 1972.

In addition to the 23 industries whose percentage changes in energy efficiency are specified in the report, eight other industrial groups whose reporting systems are in varying stages of development are also listed. They are: American Die Casting Institute; Corn Refiners Association; Metal Treating Institute; Motor Vehicle Manufacturers Association; Refractories Institute; Rubber Manufacturers Association; U.S. Beet Sugar Association; and U.S. Cane Sugar Refiners Association.

The Voluntary Industrial Energy Conservation Progress Report will be followed by two more in 1976. Limited copies of the report are available from the Office of Energy Policy and Programs, Room 2203, U.S. Department of Commerce, Washington, D.C. 20230.

# Proposals Asked For Solar Energy Research Center

A major facility for systematic solar energy research seems a certainty before the end of the year.

The Energy Research and Development Administration has requested proposals for a manager-operator and an initial facility for the Solar Energy Research Institute (SERI), with an option for a larger site in the future.

Proposals will be accepted from any responsible organization, including nonprofit, commercial or state and local governmental entities. The final selection will be made by the Administrator of ERDA, and proposals will be evaluated by a Source Evaluation Board. The Institute is expected to begin operating by January 1.

Initially SERI will perform analysis, assessment and information functions, research activities in specific aspects of the solar energy program, conduct of educational activities, provision of technical consultation to other elements of the ERDA solar energy program and support of international cooperative programs.

Its future role could include increased research, development and related activities in support of ERDA's solar energy program.

ERDA estimates that the cost of the contract for the first year of performance will be between $4 and $6 million.

Organizations not yet on the SERI master mailing list to receive the request for proposals should write to Ray Fields, Chairman of the Source Evaluation Board, Division of Solar Energy, ERDA, Washington, D.C. 20545. Those on the master mailing list will receive copies automatically.

Ten copies of each proposal should be delivered to the Division of Solar Energy, ERDA, 20 Massachusetts Ave., Washington, D.C. 20545, no later than 5 p.m., July 15. The Source Selection Official reserves the right to reject proposals or modifications received after that date.

# *Conservation Gets Upgraded Energy Emphasis*

Frugality is back in style!!

Conservation has been singled out for increased attention in the updated National Plan for Energy Research and Development recently submitted to Congress by the Energy Research and Development Administration.

The estimated potential savings through conservation technologies are equivalent to almost one million barrels of oil a day within the next five years.

"Elevation of conservation is the major change in the National Plan as presented last year and reflects wide-spread public reaction to the initial plan," said Dr. Robert C. Seamans, Jr. ERDA Administrator. "I believe it is impossible to exaggerate the need and desirability to make more efficient use of energy.

"Conservation also will help provide time for the nation to develop new energy sources to replace our finite and dwindling supplies of oil and gas, which now account for more than 75 percent of our energy," Dr. Seamans said.

"In the long run, we have three potential replacements for oil and gas—solar electric energy, nuclear fusion, and nuclear fission in the form of the breeder reactor. But each of these has significant technological problems to be solved before we can count on one or more of them for a virtually inexhaustible supply of energy."

The National Energy Plan was first issued by ERDA on June 30, 1975, with the express intention of yearly revision. The 1976 updated plan expands the scope and depth of the original.

The ERDA Plan states that even with energy conservation measures and significant enhanced recovery, the demand for oil and gas is expected to outpace the combined domestic supply and current level of imports.

To help meet this increased demand, a synthetic fuels industry that would convert coal and shale to clean liquid and gas fuels is considered an essential part of the national research and development effort.

Such an industry would be provided with assistance under the Administration's proposed Energy Independence Authority (EIA). With equity and funding authority of $100 billion, EIA's purpose would be to provide assistance to the private sector, mainly in the form of loans and loan guarantees in order to encourage development of conventional and new energy technologies.

"The private sector is the primary vehicle to achieve resolution of the nation's energy problems," said Dr. Seamans. "Industry has the flexibility, the capital and the managerial capability for both research, development and demonstration, and for technology commercialization. ERDA's role is to assist."

## *Multiple Satellites Used On Single Long-Distance Call*

A special team from Commerce's Office of Telecommunications has successfully tested the simultaneous use of two or three satellites during a single long-distance telephone call. Customers were interviewed after using the techniques, which sometimes are subject to signal distortion.

OT, which served as the project's Technical Management Organization, was seeking to determine whether the test circuits were operating satisfactorily. To do this, the team visited switching offices across the country to evaluate pre-service and in-service circuit tests.

The tests were requested by the Federal Communications Commission and were conducted by OT's Institute for Telecommunication Sciences at Boulder, Colo. The project was intended to help the Commission evaluate customer reaction. The customer interviews were conducted by Opinion Research Corporation of Princeton, New Jersey.

The study has prompted the Federal Communications Commission to investigate the feasibility of establishing performance standards for echo suppressors on long-delay circuits.

An echo suppressor blocks the return path of a two-way telephone line in such a way as to reduce the delayed echo of the speaker's voice. The return path is the electronic avenue occupied by the signal coming from the direction opposite to the speaker.

The complete test results have been published in *Circuit Status for Multiple-Satellite-Hop User Reaction Tests.* The 230-page document, OT Special Publication 76-8, is available from the National Technical Information Service, U.S. Department of Commerce, Springfield, Va. 22161, at $7.75 a copy. Request number PB-251/561/CZ.

## National Bureau of Standards Open House

More than 50,000 people visited Commerce's National Bureau of Standards during its recent 75th anniversary open house. Eighty-four laboratories conducted special demonstrations to show the Bureau's work. Some of the most popular exhibits are shown here. Above, schoolchildren watch a demonstration of glassblowing in the shop that makes glass tubing for Bureau scientists, who conduct tests requiring tubing of unusual sizes and designs. Right, an electronic Tic Tac Toe game was part of the Think Metric exhibit. Participants pressed buttons to record their answers to questions about the metric system—correct answers filled a square in the board. Below left, Nicholas Calvano (left) of NBS's Product Engineering Division shows Washington, D.C., Fire Safety Officer Ramon Granados an apparatus that tests performance of fire helmets of various materials under simulated destructive forces. Below right, Dr. James M. Cassel discusses NBS's synthetic implants program, which is concerned with performance characteristics of plastics (polymers), metals, ceramics and other materials used in surgical and prosthetic devices such as heart pacemakers and artificial hip joints.

Other activities at the Open House included demonstrations of: paper making, burglar alarms and smoke detectors, flammability testing, noise measurement, corrosion and pollution research, and a robot that talked as it performed simple tasks. Also available for viewing were the solar townhouse and the nuclear reactor.

# Five-Year Program For Commercial Ocean Usage Is Conference Aim

U.S. specialists on commercial development of the oceans will convene soon in Washington to map out an action program of government-industry cooperation over the next five years.

A major National Planning Conference co-sponsored by four federal agencies will bring together 300 senior representatives from government, industry and the academic community.

Sponsors of the June 9-12 meeting are the Maritime Administration, the National Oceanic and Atmospheric Administration, the Energy Research and Development Administration, and the Department of Interior. It will be held in Washington June 9 and at Warrenton, Va., June 10-12.

### Major objectives

The conference has three major objectives:

(1) To review the status of maritime and ocean industries and identify the opportunities for commercial development and the major technical and economic problems that are impeding the progress of these industries;

(2) To outline a five-year program that the government can undertake in cooperation with industry to resolve as many of these problems as possible;

(3) To recommend specific actions, set priorities and identify potential resources available for incorporation into the five-year program.

The conference will seek to define a program which is attainable by American technology and has the promise of substantial returns. While it will not attempt to define new ocean policies in the course of analyzing program elements, their cost and their potential for success, it will identify policies and institutional constraints which are impeding future ocean development.

The four-day conference will begin with a plenary session with several guest speakers. The second and third days will be devoted to consideration of proposed program elements in specific areas of ocean development—the need for such development, its expected benefits, a development timetable and expected costs.

### Day for evaluation

The fourth day will be devoted to the evaluation of reports and recommendations prepared by the panels and the development of program elements and priorities into a five-year plan.

Elliot L. Richardson, Secretary of Commerce, will keynote the opening session. Program director of the conference is Marvin Pitkin, Maritime's Assistant Administrator for Commercial Development. Athelstan Spilhaus, Consultant to the Administrator of NOAA, will serve as conference chairman.

# *U.S.-French Ocean Teamwork Grows With New Accord*

The United States and France have agreed upon new programs to develop methods of protecting the oceans and its resources, and to increase knowledge of its processes.

The new plans were outlined by Dr. Robert M. White, Administrator of the National Oceanic and Atmospheric Administration (NOAA), for the U.S., and M. Yves LaPrairie, President and Director General of France's National Center for the Exploitation of the Oceans.

The announcement concluded a three-day meeting of the U.S.-French Cooperative Program in Oceanography, held in New Orleans. The collaboration has been under way since 1970.

The two leaders emphasized that their meeting was held against the background of greatly intensified interest in the oceans. "We feel fortunate," they said, "that the U.S.-French program is producing constructive action." New areas in which the United States and France will cooperate, and areas being examined for future cooperation, are:

—The exchange of plans and proposals for undersea scientific studies to determine where further cooperative efforts could be undertaken.

—A joint man-in-the-sea experiment. In cooperation with West German scientists, the study teams will use the German underwater laboratory Helgoland this summer in the Baltic Sea to investigate new instrumentation techniques, and marine organisms on the sea floor.

—Exchange of information as to the effects, beneficial and harmful, of thermal effluents emitted from major facilities.

—Acquainting the French with the controlled ecosystem pollution experiment (CEPEX), in which 10-meter by 30-meter balloons are being employed under the sea to help determine the growth and development of natural populations.

The two nations are cooperating in a number of other areas involving the oceans, such as: coastal processes, including the effects of natural and man-made changes in patterns of erosion and sedimentation; marine pollution; medical problems associated with working under the sea; manganese nodules; instrumentation; buoy technology and air-sea interaction; and aquaculture.

# Massachusetts Prepares Coastline For Impact Of Offshore Drilling

With Commerce help, Massachusetts is applying the ounce of prevention advocated by native son Ben Franklin to its coastline, which may soon be affected by offshore oil and gas operations. The state has received a special grant of $110,310 to begin developing methods for coping with the possible impact.

The grant, awarded by Commerce's National Oceanic and Atmospheric Administration, will finance efforts to determine the wide range of potential effects offshore drilling could have onshore.

State planners, for example, will attempt to define the types of facilities that may be needed along the Massachusetts coast if oil or gas are found on the outer continental shelf; including schools, homes, and the like for new residents attracted to the area by energy-production activities.

Massachusetts officials said the Commerce Department grant also will be used:

To identify suitable areas and develop standards for siting energy facilities;

To provide assistance to potentially affected communities;

To analyze state controls over outer continental shelf development and recommend necessary changes;

To coordinate issues of mutual interest with government agencies and neighboring states, and

To inform the public about outer continental shelf development and its impacts.

### Broad program

Officials emphasized that the OCS work program will coincide with the development of a broad coastal management program to preserve Massachusetts' coastal areas.

The coastal management program is being developed in close cooperation with Massachusetts citizens and NOAA's Office of Coastal Zone Management. OCZM has awarded Massachusetts more than $700,000 to develop its program, and the state has added another $365,000, under provisions of the Coastal Zone Management Act of 1972.

That Act gives the Secretary of Commerce authority to approve a state program once it is totally developed, and to grant additional funds to put it into effect.

**SPICES OF LIFE**—*Francois and Carolyn Massaquoi review orders for their African food import firm. Business assistance agencies funded by Commerce got them started on the road to a successful business that grossed $120,000 last year.*

# *Advisory Units Help Minority Couple Establish Import Business*

Peppers and spice and everything nice are what Francois and Carolyn Massaquoi's African food import business is made of. That, plus hard work and some help from a couple of business assistance agencies funded by Commerce's Office of Minority Business Enterprise (OMBE). Francois, a native of Liberia, and his Alabama-born wife Carolyn are the owner/operators of Massaquoi Associates, Ltd., a New York import company specializing in spices, palm oil, palm butter and other foodstuffs and products imported from West Africa. Most of the goods are from Liberia, but some also come from Ghana, Ivory Coast, Sierra Leone, Nigeria, Benin and Togoland.

Massaquoi Associates, which employs eight fulltime workers, operates out of two locations: a warehouse in Brooklyn near the docks and a Manhattan business office. Some of the products are packaged in Africa, but more and more are being put together in the United States.

Massaquoi, who came to the United States in 1965 as a student, got into the import business when his American friends asked him to bring back oils and spices from his trips to Liberia. Eventually, he decided to go into importing commercially. But doing business on such a small scale prevented him from obtaining credit or from buying in bulk.

He turned for help to the First Harlem Management Corp., an OMBE-funded experiment and demonstration project, which examines the feasibility of new approaches for developing minority-owned businesses, and to the National Puerto Rican Forum, a local business development organization. (The Forum assists other minorities than Puerto Rican.)

These organizations gave him advice in the areas of marketing, accounting, and securing bank funding that he credits with helping him get a $50,000 loan from First National City Bank of New York in 1974. The loan enabled him to obtain credit and do $120,000 worth of business last year, with $300,000 projected in guaranteed sales for this year.

Massaquoi Associates sells large amounts of its products in Miami, Los Angeles, Washington, D.C. and New York, where Caribbean and Latin American immigrants are located. These countries have similar food patterns and traditions to those of West Africa.

In addition to foreign-born customers, Massaquoi has found his products popular with health food stores. He also ships goods to Canadian cities having sizable West Indian and African populations.

Massaquoi's products, sold under the trade name African Maid, include boney (dried herring), gari (ground cassava, a root used as a cereal), cayenne pepper, melon seeds (ground and used like corn meal), pepper sauce and the palm products.

Massaquoi considers his biggest promotional boost to date to be an appearance at Bloomingdale's department store to demonstrate the use of his products, which are now carried by the store. Massaquoi's plans for the future include importing coffee and African art.

# County, Local Tax Bill: $37 Billion In Fiscal 1974-75

What is the take of local tax collectors across the nation?

Taxes of counties, municipalities, and townships totaled $37.1 billion in fiscal 1974-75, of which $12.6 billion were county taxes, $21.1 billion municipal, and $3.4 billion raised by townships.

The total represented an increase of 8.5 percent over the preceding year and 25.1 percent over fiscal 1971-72.

The data is from the first of a new series of governmental finance reports released by Commerce's Bureau of the Census.

The new report excludes data on school districts and special districts.

Figures include taxes and intergovernmental revenues of all county, municipal, and township governments collected annually and, combined with other data, are used to calculate entitlement of funds to each qualified governmental unit under the General Revenue Sharing Program.

Property taxes of counties amounted to $10.3 billion in 1974-75; for municipalities, the total was $13.1 billion; and for townships, $3.2 billion.

Nonproperty taxes of the three local governments included $6.2 billion from sales and gross receipts taxes, $2.6 billion from income taxes, and $300 million from motor vehicle license taxes.

In fiscal 1971-72, the year before the General Revenue Sharing Program began, state governments furnished 83 percent of the intergovernmental revenue of counties, municipalities, and townships while the Federal Government provided 13 percent. In fiscal 1972-73, the state portion dropped to 75 percent and the federal portion increased to 22 percent. In fiscal 1973-74, the proportions were 71 percent state and 26 percent federal, and in fiscal 1974-75, they were 72 and 24 percent.

### From other governments

County government revenue derived from the Federal Government more than doubled between fiscal 1972 and 1973, increasing from $704 million to $1.6 billion; it rose another 49 percent in 1973-74 to $2.3 billion, and increased in 1974-75 to nearly $2.4 billion. County revenue from states during this period increased from $9.2 billion in fiscal 1971-72 to $11.5 billion in 1974-75.

Counties, municipalities, and townships received the largest amount of aid from state governments for public welfare (29.1 percent), followed by education (24.3 percent), general local government support (18.5 percent), highways (12.8

percent), and health and hospitals (4.3 percent).

The largest amount of direct federal aid was from General Revenue Sharing (50.7 percent), followed by housing and urban renewal (11.2 percent), education (3.6 percent), health and hospitals (2.2 percent), and public welfare (1.4 percent). The amounts shown for education are understated since the survey excludes independent school districts which accounted for slightly less than half of state aid in 1973-74 and 7.8 percent of federal grants.

Copies of *Taxes and Intergovernmental Revenue of Counties, Municipalities, and Townships: 1974-75*, GF76, No. 9, are available for 50 cents each from the Subscriber Services Section (Publications), Bureau of the Census, Washington, D.C. 20233, or from Commerce District Offices in major U.S. cities.

## *Information Center Set Up For Use Of Travel Agents*

Travel agents can now get answers to their clients' questions about travel in the United States through a toll-free USA Travel Information Center sponsored by Commerce's United States Travel Service (USTS).

The telephone query service is part of USTS' new domestic tourism promotion program that is now encouraging Americans to vacation within their own country. The telephone service also supports other goals of the USTS domestic program—strengthening USTS liaison with U.S. travel agents and encouraging domestic travelers to plan their U.S. vacations through travel agents.

USA Travel Information Center will be operated under a USTS contract by Mera Editorial Group, the research organization that edits the series of Mobil Travel Guides.

The toll-free number is 800-631-1256. New Jersey callers should dial 800-772-2046. Travel agents in any of the 48 contiguous states may phone the service from 9 a.m. to 5 p.m. of their local time, Monday through Friday.

"Initially, USTS is making this service available only to travel agents on a test basis," commented Assistant Secretary of Commerce for Tourism Creighton Holden. "Although the service is not designed to respond to queries concerning bookings or tariff information, this service will enable U.S. travel agents to refer their clients' general travel queries to a single, authoritative source."

Holden added that following the initial month of the Center's operation, USTS would evaluate the demand for the service and consider expanding it to serve the general public.

# Alaskans' Per Capita Income Growing Four Times As Fast As Nation's

Sparked by oil pipeline construction, Alaska's per capita income grew at almost four times the national average during 1975. Times were almost as good in the Plains States, where Nebraskans enjoyed a jump of more than twice the average for the whole nation.

Per capita income figures for the different states in 1975 ranged from $8,815 in Alaska and $6,854 in Connecticut to $4,041 in Mississippi, compared to the U.S. average of $5,934, according to Commerce's Bureau of Economic Analysis.

Per capita income increased fastest in Alaska (28 percent), Nebraska (17 percent), Iowa (11¾ percent), Rhode Island (10¾ percent), West Virginia (10 percent), Wyoming (10 percent), Montana (9½ percent), and the District of Columbia (9¼ percent).

The smallest gains were registered in Idaho (1¼ percent), Florida (2 percent) and Arizona (3¾ percent).

Nationally, per capita income increased 7 percent, compared with a 7¾ percent increase in consumer prices. The BEA analysis did not include comparisons of the costs of living in the individual states, or the rates at which they are increasing.

### Total personal income

Total personal income increases in 1975 ranged from gains of more than 33½ percent in Alaska and 17 percent in Nebraska to rises of only 4 percent in Idaho and 4½ percent in North Dakota. The nationwide increase for 1975 was 8 percent, little different from the national advance in consumer prices.

Nationally, and in most of the states, income gains were bolstered by sharp advances in transfer payments (up nearly 25 percent). Excluding these payments, U.S. income gained only 5½ percent—well below the rise in consumer prices. Gains in total income equaled or exceeded the national rise in consumer prices in the District of Columbia and 22 states.

Changes in nonfarm income from the first quarter of 1975 to the fourth quarter of 1975 show the geographic pattern of business expansion during the early recovery. Because rapid and erratic changes in farm income tend to blur underlying economic developments, the basic economic pattern is clearer in nonfarm income data.

From the first quarter of 1975 (the trough quarter in real gross national product) to the fourth quarter of 1975 (the most recent period for which state income data are available) nonfarm income in the nation rose 7¼ percent and consumer prices rose 5½ percent.

There were vigorous gains, ranging from 18½ percent to nearly 9 percent, in eight states and the District of Columbia: Alaska, Michigan, South Carolina, Alabama, Nevada, New Mexico, Wyoming, and Arizona. Gains in mining figured prominently in Alaska, New Mexico, and Wyoming. Gains in manufacturing were important in Michigan, South Carolina, and Alabama. Construction was strong in all but two (Michigan and South Carolina). Wages in service-type industries advanced in all of the above states.

Weak gains ranging from 4½ to 5¼ percent occurred in six states: Connecticut, Utah, Hawaii, Rhode Island, South Dakota, and New York. Manufacturing payrolls were either off or increased less than nationally. Construction payrolls were off sharply in each of these states, while in the nation they were down only moderately. With two exceptions (South Dakota and Utah), wage payments in service-type industries increased less than nationally. Reflecting the continued weakness in the private economies of these eight states, government unemployment insurance benefits increased much faster in these areas than in the nation as a whole.

Total personal income consists of private and government wage and salary payments in cash and in kind, other labor income, farm and nonfarm proprietors' income, interest, net rents, dividends, and transfer payments, less personal contributions for social insurance. It is measured before the deduction of personal income and other personal taxes and is reported in current dollars (no adjustment is made for price changes).

Per capita income equals personal income divided by total population.

## Guide To Directories Has Been Recently Updated

A new publication providing help in locating new buyers, new sellers, new suppliers or new markets has just been published by Bernard Klein Publications. The ninth edition of the *Guide to American Directories* lists more than 5,000 directories of every kind, including 2,000 not previously listed, under more than 300 major classifications.

The 510-page, hardbound book can be ordered at $35 from B. Klein Publications, P.O. Box 8503, Coral Springs, Fla. 33065 on 30-day approval. A catalog of the company's other publications is available.

# Per Capita Personal Income

| State and Region | 1973 | 1974 | 1975 | % Change 1974-75 | % of '75 Nat. Avg. |
|---|---|---|---|---|---|
| **UNITED STATES** | **5,023** | **5,449** | **5,834** | **7.1** | **100** |
| New England | 5,217 | 5,700 | 6,086 | 6.8 | 104 |
| Connecticut | 5,896 | 6,452 | 6,854 | 6.2 | 117 |
| Maine | 4,153 | 4,592 | 4,785 | 4.2 | 82 |
| Massachusetts | 5,275 | 5,757 | 6,159 | 7.0 | 106 |
| New Hampshire | 4,592 | 4,953 | 5,210 | 5.2 | 89 |
| Rhode Island | 4,847 | 5,341 | 5,917 | 10.8 | 101 |
| Vermont | 4,227 | 4,535 | 4,925 | 8.6 | 84 |
| Mideast | 5,470 | 5,974 | 6,411 | 7.3 | 110 |
| Delaware | 5,845 | 6,309 | 6,799 | 7.8 | 117 |
| D.C. | 6,433 | 7,092 | 7,751 | 9.3 | 133 |
| Maryland | 5,442 | 5,946 | 6,437 | 8.3 | 110 |
| New Jersey | 5,724 | 6,252 | 6,629 | 6.0 | 114 |
| New York | 5,658 | 6,156 | 6,603 | 7.3 | 113 |
| Pennsylvania | 4,958 | 5,447 | 5,874 | 7.8 | 101 |
| Southeast | 4,308 | 4,689 | 4,926 | 5.1 | 84 |
| Alabama | 3,886 | 4,214 | 4,557 | 8.1 | 78 |
| Arkansas | 3,883 | 4,200 | 4,383 | 4.4 | 75 |
| Florida | 5,041 | 5,412 | 5,517 | 1.9 | 95 |
| Georgia | 4,402 | 4,752 | 4,969 | 4.6 | 85 |
| Kentucky | 4,009 | 4,442 | 4,668 | 5.1 | 80 |
| Louisiana | 3,942 | 4,392 | 4,729 | 7.7 | 81 |
| Mississippi | 3,542 | 3,804 | 4,041 | 6.2 | 69 |
| North Carolina | 4,267 | 4,616 | 4,801 | 4.0 | 82 |
| South Carolina | 3,935 | 4,311 | 4,521 | 4.9 | 77 |
| Tennessee | 4,174 | 4,551 | 4,766 | 4.7 | 82 |
| Virginia | 4,874 | 5,333 | 5,671 | 6.3 | 97 |
| West Virginia | 3,985 | 4,373 | 4,815 | 10.1 | 83 |
| Great Lakes | 5,294 | 5,730 | 6,131 | 7.0 | 105 |
| Illinois | 5,728 | 6,273 | 6,750 | 7.6 | 116 |
| Indiana | 4,929 | 5,190 | 5,587 | 7.6 | 96 |
| Michigan | 5,506 | 5,880 | 6,240 | 6.1 | 107 |
| Ohio | 5,050 | 5,516 | 5,883 | 6.7 | 101 |
| Wisconsin | 4,807 | 5,245 | 5,627 | 7.3 | 96 |
| Plains | 5,077 | 5,260 | 5,715 | 8.7 | 98 |
| Iowa | 5,291 | 5,279 | 5,899 | 11.7 | 101 |
| Kansas | 5,224 | 5,499 | 5,968 | 8.5 | 102 |
| Minnesota | 5,106 | 5,421 | 5,754 | 6.1 | 99 |
| Missouri | 4,752 | 5,035 | 5,387 | 7.0 | 92 |
| Nebraska | 5,187 | 5,280 | 6,175 | 17.0 | 106 |
| North Dakota | 5,746 | 5,582 | 5,855 | 5.0 | 100 |
| South Dakota | 4,923 | 4,682 | 4,980 | 6.4 | 85 |
| Southwest | 4,501 | 4,871 | 5,265 | 8.3 | 90 |
| Arizona | 4,764 | 5,136 | 5,329 | 3.8 | 91 |
| New Mexico | 3,871 | 4,139 | 4,482 | 8.3 | 77 |
| Oklahoma | 4,252 | 4,586 | 4,996 | 8.9 | 86 |
| Texas | 4,570 | 4,956 | 5,387 | 8.7 | 92 |
| Rocky Mountain | 4,710 | 5,127 | 5,452 | 6.3 | 93 |
| Colorado | 5,058 | 5,514 | 5,839 | 5.9 | 100 |
| Idaho | 4,345 | 4,919 | 4,980 | 1.2 | 85 |
| Montana | 4,742 | 4,958 | 5,434 | 9.6 | 93 |
| Utah | 4,137 | 4,468 | 4,819 | 7.9 | 83 |
| Wyoming | 4,892 | 5,403 | 5,942 | 10.0 | 102 |
| Far West | 5,393 | 5,929 | 6,434 | 8.5 | 110 |
| California | 5,491 | 6,032 | 6,555 | 8.7 | 112 |
| Nevada | 5,698 | 6,033 | 6,524 | 8.1 | 112 |
| Oregon | 4,810 | 5,284 | 5,610 | 6.2 | 96 |
| Washington | 5,129 | 5,713 | 6,226 | 9.0 | 107 |
| Alaska | 5,923 | 6,890 | 8,815 | 27.9 | 151 |
| Hawaii | 5,548 | 6,038 | 6,426 | 6.4 | 110 |

# Foreign Tourists Brought $5.7 Billion Into U.S. in 1975

According to preliminary estimates of Commerce's United States Travel Service, U.S. receipts from international tourism totaled $5.65 billion in 1975, an increase of 16.5 percent over 1974. Expenditures by Americans traveling abroad totaled $8.48 billion, an increase of only 5.9 percent over the previous year. As a result, the travel dollar deficit in the U.S. balance of payments decreased 10.6 percent to $2.78 billion, compared to $3.14 billion in 1974.

Per capita spending of foreign visitors in the United States averaged $360 in 1975. Per capita U.S. tourist spending abroad averaged $368.

The United States' travel dollar balance with respect to Canada (this country's number one source of international tourists) was in surplus by $215 million in 1975, the first surplus in the travel account with Canada in more than a decade.

The United States also had a travel surplus with Japan in 1975—$279 million. Deficits were recorded with respect to Mexico ($85 million) and the United Kingdom ($284 million).

International travel receipts have a multiplier effect within the U.S. economy. The range of estimates for the tourism multiplier varies, but using a 3.3 multiplier, which is generally accepted, the direct and indirect economic impact of total foreign tourist spending in the United States in 1975 would equal an $18.6 billion contribution to the U.S. economy.

International tourism receipts have far-reaching effects on the U.S. economy. It is estimated that one job is supported in this country for every $15,000 in tourism receipts. Thus expenditures by international visitors in 1975 supported an estimated 375,000 jobs.

Based on service industry estimates, it is thought that 7.7 cents of every tourism dollar ends up in federal, state and local tax coffers. Applying this factor, foreign visitor expenditures during 1975 resulted in approximately $434 million in tax receipts. These taxes supported roads, schools and public-financed services that daily benefit the American public which hosts these incoming visitors.

On a global basis, it is estimated that there were 224.7 million visits to major tourism nations recorded in 1975, an increase of 7.4 percent. Global tourism receipts totaled an estimated $32.6 billion, an increase of 12.4 percent. The United States received 7 percent of the world travel market in terms of arrivals in 1975, and 17 percent of the global market in terms of spending.

# Calendar Of Business Events

**May 26-27—New York**—American Iron & Steel Institute 84th General Meeting, Waldorf-Astoria Hotel. For information, AISI, 1000 16th St. NW., Washington, D.C. 20036. (202-452-7100).

**June 1-3 — Washington** — Managing & Measuring Public Communications Seminar, Georgetown Univ. For information, Betsy Girton, Continuing Mgt. Education Program, SSCE, Georgetown Univ., Washington, D.C. 20057 (202-625-4353).

**June 3-4—Kansas City** — Institute on Urban Economic Development, Crown Center Hotel. Sponsors: National Council for Urban Economic Development & Black Economic Union of Greater Kansas City. For information, Dr. Martin Orr, Black Economic Union, 2502 Prospect St., Kansas City, Mo. 64127 (816-924-6181).

**June 3-5—Washington** — Environmental Impact Statement Process, Shoreham Americana Hotel. Cosponsors: Center for Administrative Justice & Environmental Law Institute. For information, CAJ, Suite 304, 1785 Mass. Ave. NW., Washington, D.C. 20036 (202-797-7050).

**June 6-8—Andover, Mass.**—Telecommunications Conference, Institute for Graphic Communication Conference Center, Andover Inn. For information, Dick Murray, IGC, 375 Commonwealth Ave., Boston, Mass. 02115 (617-267-9425).

**June 6-8 — Carmel, Ca.** — Information Storage & Retrieval Systems, Institute for Graphic Communication Conference Center, Highlands Inn. For information, see address above.

**June 7-8—Arlington, Va.**—Briefing Conference on Product Safety, Twin Bridges Marriott. For information, David Swit, 1080 National Press Bldg., Washington, D.C. 20045 (202-393-3830).

**June 7-10—New York** — 1976 National Computer Conference, N.Y. Coliseum. For information, Carol Sturgeon, American Federation of Information Processing Societies, 210 Summit Ave., Montvale, N.J. 07645 (201-391-9810).

**June 8-10 — Washington** — Managerial Decision Making, Georgetown Univ. For information, Betsy Girton, Continuing Mgt. Education Program, SSCE, Georgetown Univ., Washington, D.C. 20057 (202-625-4353).

**June 9-12—Washington**—Commercial Development of the Oceans, U.S. Dept. of Commerce & Airlie House, Warrenton, Va. Sponsors: Maritime Admin., NOAA, Dept. of Interior and Energy Research & Development Admin. For information, John Roche, MarAd (202-377-4113).

**June 11—Sioux Falls, S.D.**—Business Opportunity/Federal Procurement Conference, Ramada Inn. Sponsor: Rep. Larry Pressler. For information, Bart Kull, c/o Rep. Pressler, 317 S. Phillips Ave., Sioux Fals, S.D. 57102 (605-336-2980 x433).

**June 13-16—Washington**—1976 National Operations & Automation Conference, Washington Hilton Hotel. For information, American Bankers Assn., 1120 Connecticut Ave. NW., Washington, D.C. 20036 (202-467-4000).

**June 14-15—Houston**—Professional Approach to Marketing Construction Services, Stouffer's Greenway Plaza Hotel. For information, Madeline Graeter, Group Communications, Inc., 6101 Southwest Freeway, Suite 401, Houston, Tex. 77057 (713-664-8818).

**June 14-16—New York**—Manufacturing Management for Multi-Plant Operations Seminar, Barbizon Plaza Hotel. For information, Heidi Kaplan, N.Y. Management Center, 360 Lexington Ave., New York 10017 (212-953-7672).

**June 14-17—Philadelphia** — Management of Environmental Protection Programs, Drexel Univ. For information, Director, Continuing Professional Education, Drexel Univ., 32nd & Chestnut Sts., Philadelphia, Pa. 19104 (215-895-2154).

**June 16-17 — Houston** — Design/Build, Build/Lease and Financing Building Projects, Stouffer's Greenway Plaza Hotel. For information, Group Communications, see address above.

**June 16-17 — New York** — Automotive Aftermarket Seminar, Barbizon Plaza Hotel. For information, Bob Sanzo, Frost & Sullivan, 106 Fulton St., New York 10038 (212-233-1080).

**June 16-17—Independence, Ohio**—Progress Through Security '76 Seminar, Hospitality Motor Inn — Cleveland South. Sponsor: Cleveland Chapter, American Society for Industrial Security. For information, James D. Reid, Pres., Tri-County Police Inc., 11220 Snowville Rd., Cleveland, Ohio 44141.

**June 17—Gaithersburg, Md.**—15th Annual Technical Symposium: Directions & Challenges, National Bureau of Standards. Cosponsors: Assn. for Computing Machinery & NBSs Institute for Computer Sciences & Technology. For information, Dr. Robert S. Butler, Technology Bldg. A247, NBS, Washington, D.C. 20234 (301-921-3485).

## Fire Prevention Meeting Slated For L.A. In Fall

A national conference focusing on "The Dynamics of Fire Prevention" has been scheduled by the National Fire Prevention and Control Administration for October 18-20 in Los Angeles.

Howard D. Tipton, administrator of the Commerce agency, said that "the fire community is beginning to put more emphasis on fire prevention. But it needs assistance in planning and implementing fire prevention programs.

"This conference will give that assistance—providing direction in fire prevention efforts, a forum for the exchange of ideas, and an identification of model fire prevention programs that have proved successful in various parts of the country, together with the opportunity to discuss ideas concerning the achievement of improvements in the different elements of fire prevention."

The NFPCA national conference will concentrate on five aspects of fire prevention: building design, public education, inspection and enforcement, fire and arson investigation, and the implementation of fire prevention programs.

The three-day meeting is expected to attract members of the fire service, building officials, city management, labor and researchers, as well as educators from every state.

## *Report Shows Homeowner How To Discourage Burglars*

With burglaries up 31 percent in a recent five-year period, homeowners, apartment dwellers and owners of small businesses now can find some very practical information in a free government guide which literally goes into the nuts and bolts of door security.

The illustrated folder, *Home Security Starts at Your Door,* is based on research by the Law Enforcement Standards Laboratory of Commerce's National Bureau of Standards.

The guide gives practical tips on such details as the length of screws in metal plate attachments; selection of break-in resistant glass or glass substitutes, or use of protective grillwork for glass in and around doors; placement of mail slots; security for jalousie and sliding patio doors; and recommended methods of attaching wooden door frames to walls.

Single free copies may be obtained from: Consumer Information Center, Pueblo, Colorado 81009.

Inquiries about quantity orders for distribution by community organizations should be directed to: Center for Consumer Product Technology, National Bureau of Standards, Room A263, Building 224, Washington, D.C. 20234.

# U.S. Trade Reverts To Deficit In First Quarter, As Exports Decline, Imports Gain Sharply

The U.S. trade balance shifted abruptly into deficit in January-March, after recording a sizable surplus in each quarter of the preceding year. The turnaround in the U.S. trade position occurred because exports declined in value, while imports registered a sharp increase.

U.S. exports at a seasonally adjusted annual rate, totaled $107.4 billion in the first quarter, 4 percent below the level in the preceding three months and only fractionally above the total in January-March 1975. Imports rose by 11 percent compared to either October-December 1975 or the first quarter of last year to a rate of $110.9 billion, valued on the f.a.s. transaction value basis. Including insurance and freight to U.S. ports, imports amounted to $119.1 billion.

The trade deficit in the first three months of 1976 was $3.5 billion at an annual rate compared to last year's surplus of $11.1 billion based on f.a.s. values. Using c.i.f.-valued imports, the deficit so far this year was running at a rate of $11.7 billion, compared to a surplus of $3.8 billion in 1975.

Because of the relative stability of both export and import prices since early last year, the effect of price movements on the trend in U.S. foreign trade values has been much less distorting so far in 1976 compared to the past few years. In the first quarter, exports in constant (1967) dollars fell by 5 percent from the final three months of 1975, while imports increased by 10 percent.

The drop in U.S. exports this year in part reflected the prolonged economic slump abroad which reduced demand for U.S. products in many foreign countries. Additionally, exports of agricultural products and aircraft, which are relatively unresponsive to changes in foreign economic activity, but which often swing widely in value, fell substantially in January-March.

The upsurge in imports in the first quarter was an acceleration of the recovery in U.S. foreign purchases which began about mid-1975, accompanying the strong revival in the U.S. economy. Imports of a wide range of products rose in the first three months, as demand was stimulated by further gains in U.S. industrial production and consumer spending and an accumulation of business inventories for the first time in over a year.

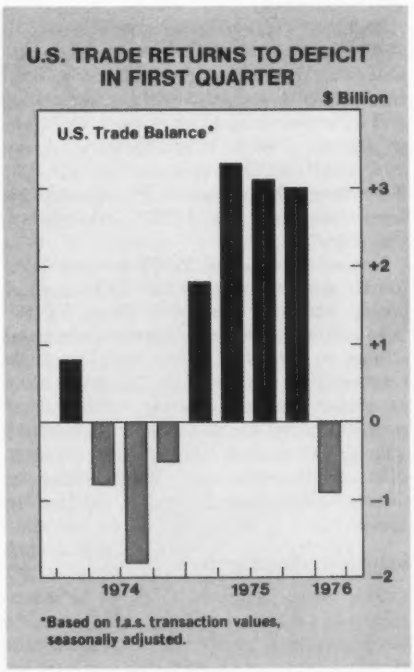
U.S. exports of manufactured goods and other nonagricultural products totaled $21.5 billion in the first quarter of 1976, 3 percent below the value in the preceding three months. This drop, only the second quarterly decline in nonfarm exports in almost four years, stemmed in part from continued economic sluggishness in many major U.S. markets. A large fall in exports of aircraft, which often fluctuate sharply, contributed significantly to the decline. Sales of civilian aircraft fell by one-tenth from fourth quarter 1975 levels, while deliveries of military planes, which rose sharply last year, fell by nearly 50 percent.

A sizable decline was also recorded in exports of motor vehicles and parts following their steady expansion throughout 1975. Deliveries of trucks slumped from their peak 1975 levels, particularly as a result of the reduction in shipments to Iran where deliveries had soared last year. Exports of automotive equipment to Canada were little changed, with a decline in shipments of cars and trucks largely offset by a further increase in those of auto parts.

Machinery exports leveled off in the first quarter, in contrast to last year's performance when they rose throughout the year, despite generally adverse economic conditions in many foreign countries. The current sluggishness of machinery sales stemmed mainly from reduced deliveries of power generating, materials handling, and agricultural machinery and nonfarm tractors. But increased sales of metalworking equipment, particularly to the American Republics, and of several types of electrical machinery, including radio and TV apparatus, power machinery, and electronic components, balanced the declines.

With industrial production in this country's major foreign markets still well below 1973-74 peak levels, U.S. exports of many industrial supplies remained depressed in the first quarter, after trending downward since the same period last year. Decreases in the quantities of key exports and significant declines in commodity prices last year accounted for the reduction in the value of these shipments. After posting records for both quantity and value in the first quarter of 1975, coal exports moved sharply lower in the remainder of last year, and fell again in the first three months of 1976. Reduced steel production abroad and consequent lower demand for coking coal was the major reason underlying this drop. Similarly, shipments of both steelmill products and steel scrap declined further in January-March, extending the downtrend evident since early 1975.

Exports of chemicals as a group edged up from their fourth quarter 1975 level, but were no higher than in the corresponding period of last year. Shipments of organic chemicals and plastic materials, which led the upturn in chemical



## Industrial Supplies Led Quarterly Import Rise

F.a.s. transaction values in millions of dollars, seasonally adjusted

| | October-December 1975 | January-March 1976 | Change from 4th quarter 1975 |
|---|---|---|---|
| **Imports, total** | **24,900** | **27,723** | **+2,823** |
| **Industrial supplies, total** | **11,954** | **13,295** | **+1,341** |
| Petroleum and products | 6,489 | 6,864 | +375 |
| Iron and steel | 796 | 1,065 | +269 |
| Industrial and agricultural chemicals | 535 | 606 | +71 |
| Lumber | 222 | 304 | +82 |
| Woodpulp | 251 | 300 | +49 |
| Tobacco | 53 | 141 | +88 |
| **Consumer goods, total** | **6,714** | **7,548** | **+834** |
| Autos and parts from Canada | 1,018 | 1,134 | +116 |
| Autos and parts from other countries | 1,412 | 1,537 | +125 |
| Clothing | 773 | 852 | +79 |
| Gem diamonds | 211 | 270 | +59 |
| Radios | 180 | 234 | +54 |
| Television sets | 123 | 167 | +44 |
| Tape recorders | 210 | 254 | +44 |
| **Foods and beverages, total** | **2,465** | **2,665** | **+200** |
| Coffee* | 412 | 560 | +148 |
| Fish | 368 | 430 | +62 |
| Meat | 305 | 360 | +55 |
| **Capital goods, total** | **2,849** | **3,098** | **+249** |
| Trucks and buses | 341 | 543 | +202 |
| Machinery | 2,372 | 2,442 | +70 |

*Not seasonally adjusted.

sales beginning in the fourth quarter, remained strong. Exports of manufactured fertilizers, on the other hand, fell sharply in value again, as export prices continued to drop precipitously from their peak a year ago.

An 11 percent rise in paper exports over October-December levels represented a continuation of the recovery in these sales which began in the third quarter. Woodpulp shipments also increased over the preceding quarter, but remained well below the January-March 1975 value.

### Farm sales decline

Exports of agricultural products fell to $5.4 billion, a 5 percent drop from the preceding three months, reflecting both reduced deliveries of certain commodities and a further drop in export prices. Grain shipments, which were boosted in the latter half of 1975 by heavy initial outflows from the record U.S. crop and by large sales to the USSR, recorded a sharp decline.

Wheat exports fell by 30 percent from fourth quarter levels, more than half of which reflected reduced loadings for the Soviet Union. Corn shipments dropped almost as sharply. In contrast to wheat, however, corn deliveries to the USSR expanded in the quarter. Exports of cotton plunged for the second consecutive quarter. Deliveries of soybeans, though, held about even with their value in October-December despite a decline in price.

### Industrial imports rise

The nearly $3 billion import advance in January-March resulted mainly from a large rebound in arrivals of industrial supplies other than fuels and lesser increases in consumer goods. After falling steadily throughout 1975, imports of most industrial supplies jumped in value in the first quarter, both in belated response to the quickened pace of U.S. industrial production and also in response to a return to inventory building. Steel purchases advanced by one-third over the December quarter, but were still far below the value of these receipts a year ago because of sharply lower prices and smaller quantities. Chemical purchases also posted a sizable quarterly advance, with increases extending to most major commodities other than fertilizers. Receipts of lumber, plywood, woodpulp, and rubber were higher in value than in each of the quarters last year. Continuing to expand from low April-June levels, greater arrivals of copper and aluminum reflected a pick-up in demand particularly from expanded auto manufacturing and construction activity.

Imports of petroleum and products rose by 6 percent to $6.9 billion. (Including petroleum imports into the Virgin Islands, mostly crude to be refined for U.S. consumption but excluded from the Census trade statistics used in this article, the value of petroleum purchases rose to $7.4 billion.) The quarterly pickup was partly the result of higher prices for imported oil caused by the OPEC decision of last September. The quantity of petroleum arrivals also advanced, from 6.1 to 6.3 million barrels per day, reflecting higher U.S. demand for imported oil resulting from rising domestic economic activity and lower U.S. production of crude. Imports of natural gas, which are limited by the export restrictions imposed by the Canadian Government's conservation policy, were unchanged from the December quarter after advancing steadily last year because of price increases.

Reflecting the upturn in personal consumption expenditures, the value of consumer goods imports expanded rapidly in January-March for the third successive quarter. Purchases of radios, TVs, and other consumer electronics posted particularly sharp advances in January-March following their moderate pickup in the last half of 1975.

Automotive imports both from Canada and from other countries also expanded strongly. Japanese economy models, after a big U.S. sales boost in 1975 which depleted dealer inventories, were imported in greater numbers. Arrivals of clothing, valued at $852 million this quarter, rose again over the substantially increased levels recorded in October-December. Imports of footwear continued their steady, though much more modest advance from April-June 1975.

Accelerating sharply from depressed levels in most of last year, purchases of trucks from Canada and Japan led the advance in imports of capital equipment. Machinery imports, in contrast, changed relatively little in value.

Boosted primarily by a rebound in volume from the fourth quarter level, and also inflated by an upturn in price, coffee imports surged by over one-third in value. Large advances were also posted for foreign fish, meat, and alcoholic beverages. The protein imports moved well above last year's depressed quarterly levels. Despite high volume, sugar purchases declined in value for the fifth consecutive quarter, as prices for this commodity continued to fall from their exceptional levels of late 1974 and the first half of 1975.

### Export decline widespread

The decline in U.S. exports in January-March from the preceding three months reflected lower sales to nearly all major world areas except Canada. Shipments to that country advanced for the fifth consecutive quarter. Deliveries to Western Europe, on the other hand, fell substantially after recording sizable increases in both the third and fourth quarters last year. The downtrend in exports to Japan continued, as shipments fell by 2 percent from October-December levels.

Among the developing nations, sales to both the petroleum-exporting countries and the non-oil-exporting LDCs declined. The reduction in shipments to the oil exporters represented the second quarterly decline in a row, after 13 consecutive increases. Following a steep rise in the final three months of 1975, exports to the communist countries declined in January-March, largely reflecting a fall-off in wheat deliveries to the USSR, but remained well above the levels recorded earlier last year.

The first quarter rise in U.S. imports included a large increase from the oil-exporting developing countries and from Japan, but relatively modest changes from other areas. Larger entries of crude petroleum accounted for a 22 percent advance in imports from the petroleum-exporting LDCs over the preceding quarter. Arrivals from other LDCs also grew, especially from those in East and South Asia, though at a much more modest rate.

Purchases from Japan jumped by 29 percent over the final quarter, as consumer products picked up sharply again. Imports from Canada continued on the uptrend which began in the third quarter last year, but receipts from Western Europe remained relatively sluggish, with purchases from the European Community edging downward. The inflow of goods from the communist countries was below that in the preceding quarter.

# Official Trade Briefs

*This article is another in a series of reports that describes actions affecting world trade, as compiled by the Legislative and Tariff Policy Division of the International Economic Policy and Research Bureau's Office of International Trade Policy.*

## THE PRESIDENT

The President announced that expedited adjustment assistance is the most effective remedy for the injury to the **stainless steel flatware** industry and its employees resulting from increased imports. The President's decision was based on an evaluation of the national economic interest. The President noted that import restraints would have resulted in increased costs to American consumers and possible retaliation against U.S. exports which would have been detrimental to U.S. industry and workers.

The President also decided to extend the increased rates of duty currently in effect on imports of **certain earthen dinnerware.** The duty increases will be phased out by May 1, 1979. The President noted that since the increased duties had been imposed May 1, 1972, the U.S. industry has made substantial economic adjustments to import competition, but these adjustments are not yet complete and that termination of the increased duties at this time would have an adverse effect on the industry's employment.

A Presidential message transmitting a report on the trade agreements program and on import relief and adjustment assistance for workers, firms, and communities under the Trade Act in 1975 was sent to Congress. It was referred to the House Committee on Ways and Means and the Senate Finance Committee.

## THE CONGRESS

**Bills Passed—Senate:** The Senate passed S. 3103 which authorizes $50 million for increased U.S. participation in the Asian Development Fund without amendment. The bill was sent to the House for consideration.

**Bills Reported—House:** The following reports were filed in the House by the Committee on Ways and Means: H.R. 2177, exemption from duty of certain **components and materials installed in aircraft** previously exported from the United States, amended (H. Rept. 94-1060); H.R. 2181, duty-free treatment of **certain aircraft engines,** amended (H. Rept. 94-1061); H.R. 8656, duty-free importation of **loose glass prisms** used in chandeliers and wall brackets, amended (H. Rept. 94-1062); H.R. 9401, continuation of temporary suspension of duty on **certain horses,** amended (H. Rept. 94-1063; H.R. 11259, temporary reduction of duty on **levulose,** amended (H. Rept. 94-1064); H.R. 11321, temporary suspension of duty on **mattress blanks of rubber latex,** amended (H. Rept. 94-1066); H.R. 12033, continuation of temporary suspension of duties on **manganese ore** and related products, amended (H. Rept. 94-1067); H.R. 12254, suspension of duty on **certain bicycle parts and accessories,** amended (H. Rept. 94-1068).

**Committee Hearings — Senate:** The Committee on Banking, Housing and Urban Affairs ordered favorably reported S. 3084. This bill is to strengthen regulations concerning U.S. exports and extending the regulations until Sept. 30, 1979. The Subcommittee on Foreign Commerce and Tourism met to receive the final report of the Departments of Commerce and Treasury on foreign investment in the United States. Witnesses from both departments presented testimony.

**Committee Hearings—House:** The Subcommittee on Courts, Civil Liberties, and the Administration of Justice of the Committee on the Judiciary continued markup of H.R. 2223, Copyright Law revision. The Subcommittee on Labor Standards of the Committee on Education and Labor held oversight hearings on the Canadian-American Automotive Agreement. Testimony was heard from government and public witnesses. The Subcommittees on International Resources, Food and Energy, on International Organizations and on International Trade and Commerce—all of the Committee on International Relations—held a hearing on the meeting of the United Nations Conference on Trade and Development (UNCTAD) being held this May in Nairobi, Kenya. The Subcommittees also held hearings on current proposals for handling **primary commodities.** The Committee on Ways and Means ordered favorably reported to the House H.R. 13396 which authorizes appropriations to the International Trade Commission for fiscal year 1977, provides for greater efficiency in the administration of the Commission, and provides for continuation of certain reports by the Commission regarding synthetic organic chemicals.

**Joint Conferences:** Conferees were appointed by both houses to reconcile Senate-House differences concerning amendments to H.R. 9721 which authorizes increased participation by the United States in the Inter-American Development Bank.

**New Legislation:** In the second session of the 94th Congress, 98 trade and related bills have been introduced. Bills not previously reported in this column include: H.R. 12952, to amend the Tariff Schedules of the United States (TSUS), with respect to the rates of duty for **palm oil;** H.R. 13006, 13094, 13309, 13402, 13542, and 13587, to amend the TSUS to repeal the special tariff treatment accorded to **articles assembled abroad** with components produced in the U.S.; H.R. 13025, 13076, to amend the TSUS to require proof of **liability insurance for cars** entered into the U.S. for personal use by nonresidents and foreign government personnel; H.R. 13033, to provide for duty-free entry of articles for the use of the National Railroad Passenger Corp. in providing nationwide rail passenger service; H.R. 13035, to amend section 102(a), section 461, Tariff Act of 1930, concerning inspection of baggage; H.R. 13096, to amend the Trade Act of 1974 to reimburse the States for the amount of State unemployment insurance paid to workers eligible to receive trade adjustment assistance;

H.R. 13115, to suspend until Jan. 3, 1980, a portion of the duties on **strontium nitrate;** H.R. 13125, 13151, to amend the Export Administration Act to strengthen the antiboycott provisions of such act and to amend the Securities Exchange Act of 1934 to enhance the investor disclosure provisions; H.R. 13167, to amend the TSUS to provide duty-free treatment of any **aircraft engine** being overhauled within the U.S. if duty was paid on such replacement engine during a previous importation; H.R. 13331, to increase for a 5-year period the duty on certain **hand-tools** and for other purposes; H.R. 13396, to authorize appropriations to the International Trade Commission for fiscal year 1977, to provide for greater efficiency in the administration of such Commission, and to provide for the continuation of certain reports by such Commission regarding synthetic organic chemicals;

H.R. 13433, to suspend until Dec. 31, 1977, the duty on **rubber-modified acrylonitile-methyl acylate copolymer;** H.R. 13488, to amend the TSUS with respect to the entry of **horses;** H.R. 13606, to amend the Tariff Act of 1930 so as to exempt **private vessels and aircraft** entering or departing from the U.S. at night or on Sunday or a holiday from provisions requiring payment to the U.S. for overtime services of customs officers and employees; S. 3270, to amend the TSUS to provide for a lower rate of duty for certain **fish netting and fish nets;** and S.J. Res. 191, relating to Presidential authority to prohibit importation into the U.S. of goods and materials from Rhodesia.

### STATE DEPARTMENT

Secretary of State Henry Kissinger on May 6 addressed the U.N. Conference on Trade and Development (UNCTAD) in Nairobi, Kenya. His remarks embodied a comprehensive and far-reaching approach by the U.S. to the economic issues of concern to the developing nations and delineated the next major step in U.S. policy in four key areas—commodities, technology transfer, balance of payment and debt problems, and special measures to aid the poorest countries. In commodities, Secretary Kissinger's proposal included establishment of an International Resources Bank to facilitate sound resource projects in developing countries on terms acceptable to developing nations and investors. The Secretary also proposed consideration of an international code on export controls to reduce market uncertainty for exporters and consumers.

To facilitate the transfer of technology, the U.S. proposed formation of a technology corps which would provide skilled personnel to work with and train manpower in specific development projects as part of an effort to develop new generations of technology managers. The U.S. would make a determined effort to help developing countries faced with balance of payments and debt service problems. In addition, Kissinger proposed implementation of a corrective international program to deal with the problems of the poorest countries and to provide development assistance grants to the least developed nations.

### TREASURY DEPARTMENT

**Antidumping Cases:** Treasury Secretary William Simon announced that the Department will conditionally discontinue its **automobile** dumping investigation against foreign exporters who have been tentatively found to be selling cars in the U.S. at less than fair value (LTFV). The determination will be effective so long as certain assurances are received which will mitigate price differentials between home market and export sales in the future. A condition of the discontinuance is the careful monitoring of U.S. sales by companies in Canada, Japan, the EEC, and Sweden, which were the targets of the investigation. Factors which contributed to the Department's decision to terminate the investigation were the effect of fluctuating exchange rates and the high costs of antipollution equipment to foreign manufacturers. Automobile imports from the countries investigated totaled approximately $7.4 billion in 1975.

The Department also initiated an antidumping investigation of metal-walled **above-ground swimming pools** from Japan pending a determination of sales at LTFV. A final Treasury decision will be made in this investigation within three months. Imports of these capacitors totaled $1.3 million during January-October 1975.

**Countervailing Duty Case:** The Department announced a final determination that bounties or grants are being paid on imported **frozen boneless beef** from EEC countries. Available information indicates that exports of frozen boneless beef to the U.S. receive export restitution payments under the EEC's Common Agricultural Policy. U.S. imports of the beef from the EEC totaled $3.6 million in 1975.

### INTERNATIONAL TRADE COMMISSION

**Antidumping Cases:** The Commission notified the Secretary of the Treasury that if previous findings of dumping of **primary lead metal** from Australia and Canada were revoked, no injury to a U.S. industry would be likely. The Treasury Department is now free to remove the antidumping duties imposed in January 1974 and currently in effect. Changes in the lead market were the basis for the reconsideration by the Commission.

Having received advice from the Treasury Department that **acrylic sheet** from Japan and **hollow or cored ceramic brick and tile** are being, or are likely to be sold, at LTFV, the Commission began investigations to determine whether industries in the U.S. are being injured by reason of importation of the merchandise into the U.S. If injury is found, Treasury will assess additional duties on the products sold at LTFV on an entry-by-entry basis. The Commission also received advice from Treasury that it had concluded that there is substantial doubt that a U.S. industry is being injured due to imports and possible sales at LTFV of **multimetal lithographic plates** from Mexico. The Commission, therefore, has begun an inquiry to determine whether there is a reasonable indication that injury is, or is likely to occur. If the Commission finds no reasonable indication of injury, the Treasury's antidumping investigation will be terminated.

**Section 337—Unfair Trade Practices:** The Commission instituted an investigation of possible unfair trade practices in importation and sales of **certain exercising devices** upon receipt of a petition from Rainbow Lifeguard Products, Inc. The complainant alleges infringement of U.S. Patent No. 3,743,280. The complainant requests that the imports be permanently excluded from entry into the U.S. Stephen L. Lire, Anaheim, Cal., Amico Import Co., Philadelphia, Charles Shulman, Waltham, Mass., and Neptune Chemical Corp. of America, Haverstraw, N.Y., have been named as respondents.

A similar investigation has been instituted on receipt of a petition from Coleco Industries, Inc., alleging infringement of U.S. Patents Nos. 3,268,917 and 3,274,621, and predatory pricing practices in importation of **certain above-ground swimming pools.** The compliance request that the pools be permanently excluded from entry into the U.S. or, in the alterantive, that appropriate cease-and-desist orders be issued. The respondents in this case are: Diamond Pools, South Amboy, N.J.; Branch Brook Co., Newark, N.J.; Harrow Stores, Melville, N.Y.; and Pool City, Pittsburgh.

**Report to the President:** At the request of the President, the Commission instituted an investigation to determine whether **dried milk mixtures** are imported into the U.S. in such quantities as to render ineffective the price-support programs of the Department of Agriculture, or to reduce substantially the amount of products processed in the U.S. from domestic milk. The President also asked for advice regarding the Secretary of Agriculture's recommendations that the monetary limitations in headnote 2(b) (concerning cotton and cotton wastes) of part 3 of the appendix to the TSUS be revised.

**Section 201—Import Relief Cases:** In a 3-2 decision, the Commission recommended that trade adjustment assistance be granted to the U.S. **shrimp** industry, which it found to be injured by import competition. This recommendation results from an investigation to determine whether increased imports have seriously injured the U.S. producers.

### SPECIAL TRADE REPRESENTATIVE

**Section 301—Foreign Trade Practices:** The Chairman of the Section 301 committee has recently received three petitions alleging unfair trade practices by foreign governments. The National Soybean Processors Association and the American Soybean Association have filed a petition alleging unfair practices by the European Economic Community (EEC) in the form of restrictions on **U.S. soybean trade.** Specifically, the petitioners claim that exports of soybeans, soybean meal and soybean oil to the EEC is adversely affected by imposition of a charge on im-

ports of soybean meal into the EEC. This import charge is seen to be specifically designed to cause a substitution of powdered milk for some of the protein meals used in animal feed, including soybean meal. The EEC is the largest market for U.S. exports of soybeans and meal. A hearing regarding this complaint was held May 11.

The National Canners Association has also filed a petition complaining of unfair EEC trade practices. The Canners Association alleges that the variable levy on calculated added sugars which is assessed on **canned fruits** imported into the EEC constitutes an unjustifiable and unreasonable import restriction. Petitioner claims that this restriction impairs the value of trade commitments made to the U.S. and burdens, restricts and discriminates against U.S. commerce. The petitioner did not request a hearing.

Another petition was filed by Charles C. Rehfeldt, Executive Vice President of Lai Fu Trading Co., Ltd. Rehfeldt alleges that the Republic of China (Taiwan) is engaging in unfair trade practices by its imposition of confiscatory tariff levels on imports of **major household appliances.** The petitioner claims that the tariffs were increased strictly as a protectionist measure at the insistence of the Taiwan Electrical Appliance Manufacturers Association. A hearing was held May 18.

Reports on the progress in each of these cases must be made to Congress by Oct. 13.

**GSP Hearings:** The Trade Policy Staff Committee has announced that hearings concerning the petitions for modifications of the product coverage of the U.S. Generalized System of Preferences are scheduled for June 1-4. Notice of these hearings was published in the Federal Register May 14. Most of the petitions received request removal of products currently eligible for GSP treatment, including leather wearing apparel, candles, plastic fasteners, various ferro alloys, die cast and vinyl squeeze toys, and various wood products. A complete listing of petitions and products appeared in the May 14 Federal Register. Persons wishing to present oral testimony must submit a request to appear at the hearings to the Office of the Special Representative for Trade Negotiations no later than May 28. Persons who wish to comment on the petitions and have not already filed a petition must submit a brief along with their request to appear. The hearings will be conducted at the New Executive Office Building, beginning at 10 a.m. each day.

### COMMERCE DEPARTMENT

The Department reported to the President that firms producing certain types of **gloves** may become eligible to apply for trade adjustment assistance. Although the International Trade Commission determined that increased imports are not a substantial cause or threat of injury to the domestic industry, it is possible that a petitioning firm could meet the different eligibility criteria for adjustment assistance. As of March 25, however, no glove producers have petitioned to be certified as eligible to apply for adjustment assistance.

## Change in Payments Data

**In a major revision of data presentation, three overall measures of the U.S. balance of payments will no longer be published, and the terms "surplus" and "deficit" will be avoided in Commerce's quarterly reports on U.S. international transactions.**

**The advent of generally floating exchange rates with discretionary official intervention and the increased accumulation of dollars by oil-producing countries are seen as limiting the usefulness of what has been called the "official reserve transactions balance." Statistical difficulties of distinguishing between liquid and non-liquid short-term assets, and of distinguishing between long-term and short-term capital flows, militate against continued publication of the "net liquidity balance" and the "balance on current account and long-term capital."**

**The change, effective with first quarter 1976 figures, was made after a year-long study by a panel appointed by the Office of Management and Budget that included members from business, the academic community, independent institutions and international organizations.**

### LABOR DEPARTMENT

**Adjustment Assistance:** The Department certified workers at several firms as eligible to apply for trade adjustment assistance. These workers have become unemployed as a result of increased imports. The workers certified (numbers are approximate) had been employees of the following firms: Eastern Stainless Steel Co., Baltimore **(stainless steel)**, 675 workers; Russell, Burdsall & Ward, Inc., Coraopolis, Pa. **(iron or steel nuts)**, 200; E. L. Bruce Co., Inc., Chesapeake, Va. **(prefinished hardwood plywood)**, 40; Weiss Marble Works, Inc., Brooklyn, N.Y. (fabrication of **granite and marble)**, 25; Armco Steel, Butler, Pa. **(specialty steel)**, 2,800; Bristol Knitting Mills, Inc., Cornwells Heights, Pa. **(sweaters, pant suits)**, 35; Haspel Brothers, Inc., New Orleans, 270, and Haspel, Inc., Tylertown, Miss., 365 **(men's clothing)**; **Brown Shoe** Co., Piggott, Ark., 340; Gobar Footwear, Inc., Middletown, N.Y., 145, and Ben Shapiro Shoe Co., Inc., Brooklyn, N.Y., 60 **(footwear)**; Production Molded Plastics, Inc., Alliance, Ohio **(custom-molded plastic automobile parts)**, 100;

Jessop Steel Co., Washington, Pa. **(stainless plate, sheet, bar and tool steel)**, 275; Brown Shoe Co., Bernie, Mo. **(women's footwear)**, 120; Lee White Marble Co., Inc., Lee, Mass. **(granite and marble fabrication)**, 5; Allen-Bradley Co., Milwaukee **(carbon and variable resistors)**, 2,600; Anaconda Co., Butte, Mont. **(copper ore and concentrates)**, 1,200; McLouth Steel Corp., Detroit **(stainless steel sheet and strip)**, 400; Motorola, Inc., Phoenix and Mesa, Ariz. **(semiconductors)**, 1,800; Greenville Tube Co., Greenville, Pa. **(stainless tubing)**, 135; Crucible, Inc., Syracuse, N.Y., and ten other states, 2,600, and Carpenter Technology Corp., Reading, Pa., Bridgeport, Conn., and 12 other states, 1,900 **(specialty steel)**; General Motors Corp., Janesville, Wis., St. Louis, Mo., Lordstown, Ohio **(full-size and sub-compact autos)**, 6,000; Dirzes Products Co., Inc., Richmond Hill, N.Y., 60, and Hart Schaffner & Marx Clothes, Rock Island, Ill., and Rochester, Ind., 230 **(men's clothing)**; and Makress Lingerie, Inc., Arecibo, Puerto Rico **(women's lingerie**—revised finding), 60.

The Department denied petitions for trade assistance for workers of the following companies: Anaconda Co., Anaconda and Great Falls, Mont. **(copper ore and concentrates)**, 450; McLouth Steel Corp., Trenton, and Gibraltar, Mich. **(carbon steel)**, 2,310; Kennecott Copper Corp., McGill, Nev. **(blister copper)**, 800; AMF York Division, York, Pa. **(motorcycles)**, 700; Technitrol, Inc., Philadelphia **(electrical components and systems)**, 40; Avco New Idea Farm Equipment Co., Coldwater, Ohio **(farm equipment)**, 1,400; General Motors, Flint, Lansing, and Pontiac, Mich., Fairfax, Kan., Wilmington, Del., South Gate, Cal. **(automobiles)**, 17,000; Teledyne Wisconsin Motor, West Allis, Wis. **(air-cooled gasoline engines)**, 650; American Cyanamid Co., Bound Brook, N.J. **(benezenoid dyes and pigments)**, 20; Crucible, Inc., Midland, Pa. **(alloy steel)**, 2,200; ASARCO, Inc., Perth Amboy, N.J. **(refined copper)**, 600; Crescent Tool, Jamestown, N.Y. **(mechanics' hand tools)**, 400; RCA, Harrison, N.J. **(electronic test equipment)**, 13; Chrysler Corp., Detroit, and Belvidere, Ill. **(automobiles)**, 10,000; Baker Clothes, Inc., Philadelphia **(men's clothing)**, 50; Kellwood Co., Bland, Mo. **(inflatable boats)**, 30; Atlas Tile & Marble Works, Inc., New Rochelle, N.Y. **(granite statues)**, 4; and American Can Co., Geneva, N.Y. **(can-making machinery)**.

**Investigations—Workers:** Trade adjustment assistance has been sought during the past month by workers in approximately 100 firms. The majority of the firms manufacture clothing, specialty steel, electronic components, and handmade tools.

**FOR U.S.-HUNGARIAN TRADE EXPANSION**—*Hungary's Deputy Prime Minister Gyula Szeker (right) was the guest in Washington May 4-5 of Commerce Secretary Elliot L. Richardson. They discussed trade expansion prospects.*

## Hungarian Leader Sees Joint Ventures As Vital Trade Step

Industrial cooperation arrangements between U.S. firms and Hungarian enterprises can play an important part in the development of trade between the two nations in the years just ahead, Hungary's Deputy Prime Minister Gyula Szeker has noted.

In a meeting in Washington hosted by Commerce Secretary Elliot L. Richardson, Dr. Szeker cited several areas in the new Hungarian five-year plan that offer opportunities for U.S. companies, particularly in the fields of electronics, pharmaceuticals, petrochemicals and engineering.

In anticipation of such increased trade, Secretary Richardson proposed that the U.S. and Hungary begin negotiation of a convention on avoidance of double taxation. The Hungarian visitor agreed that this would be an important forward step, and both men agreed that reciprocal extension of Most-Favored-Nation nondiscriminatory tariff treatment would be another important step in trade expension.

Dr. Szeker was received by President Ford, and had discussions with Treasury Secretary William E. Simon, Agriculture Secretary Earl L. Butz, and members of Congress. He met in Wilmington, New York, Detroit and Chicago with business leaders.

## Secretary In Canada

Current trade and investment issues as well as recovery of the Canadian and U.S. economies provided the focus of Commerce Secretary Richardson's meetings with Canadian Government officials May 5-7. Despite concerns in the United States about some current Canadian industrial and investment policies, Secretary Richardson expressed confidence that the identity of our interests makes cooperation and coordination between the two countries inevitable over the long term.

Although Canadians are concerned about their trade deficit with the United States in automotive parts, Secretary Richardson and Canadian Minister of Industry, Trade and Commerce Donald Jamieson ruled out a renegotiation of the U.S.-Canadian Automotive Pact in the foreseeable future in comments to the press. They said that both governments will instead concentrate on separate but parallel studies currently under way of the impact on the automotive industry of a variety of factors both economic and social.

Secretary Richardson's visit was the latest of a series of periodic meetings between U.S. and Canadian cabinet officers to discuss economic and other issues of common interest. Following his meetings in Ottawa Secretary Richardson went on to Toronto to address Canadian businessmen.

## Richardson Leaves For Korea, Japan Talks

Secretary of Commerce Elliot L. Richardson left May 19 on a nine-day trip to the Republic of Korea and Japan for discussions on economic and trade issues. He is attending the Seventh U.S.-Korea Commerce Ministers meeting in Seoul May 22-25. Yie-Joon Chang, Korean Minister of Commerce and Industry, heads the Korean delegation.

The U.S.-Korean ministerial meetings, last held in Washington in June 1974, will center on closer economic ties and opportunities for expanding trade, economic cooperation and investment.

In Tokyo from May 25-28, Richardson will meet with Prime Minister Takeo Miki, Foreign Minister Kiichi Miyazawa, and with Toshio Komoto, Minister of International Trade and Industry.

Richardson and Prime Minister Miki are expected to discuss such subjects as energy, science and technology, raw materials, and issues affecting developed and developing nations. It is also expected that Richardson's activities as chairman of the President's Task Force on Questionable Corporate Payments Abroad will be a topic of discussion.

## U.S. Printing Progress, Bicentennial Accent, Combine In Paris Show

Reminding French businessmen of the role printing played in the American Revolution, the U.S. Trade Center in Paris brought the U.S. Bicentennial to France recently. A special historical centerpiece display was part of an exhibition of up-to-the-minute U.S. printing and graphic arts equipment.

Visitors caught the Bicentennial theme through photo enlargements of the 1778 treaty of "Friendship and Commerce" between France and the U.S. and of Benjamin Franklin, who represented the U.S. in France during the Revolution. Antique printing machinery was also on display, and the American Chamber of Commerce in France spread its story before the visitors. Such special Bicentennial displays are scheduled at the 14 U.S. Trade Centers abroad, with the Paris event as the kickoff.

The six-year-old center was symbolically rededicated as the printing equipment exhibition opened. Mayor Achille Peretti of neighboring Neuilly took another cut at the ribbon he had snipped to open the Center in November 1969 as U.S. Embassy and Trade Center officials applauded.

Contrasting the old with the new, for the main exhibition, 28 U.S. firms repre-

**PRINTING THEN AND NOW**—*For Bicentennial celebration during printing and graphic arts exhibition, Paris U.S. Trade Center displayed (above) photographic enlargements of Benjamin Franklin portrait, facsimile of 1778 U.S.-French Treaty of Friendship and Commerce, flatbed press on which document was printed. In photo on right, French representative for American Type Founders shows to two visitors modern machine that provides offset printing on both sides simultaneously.*

senting 35 companies displayed their printing and graphic arts equipment, which was far more sophisticated than in any of the three preceding printing shows at the Paris Center. More than 60 percent of the machinery shown was computer-assisted typesetting equipment.

An important feature of the promotion campaign before the show opened was a "round table" press discussion among representatives of the leading trade publications. Substantial publicity resulted; for example, *La France Graphique* printed a ten-page article on the exhibition.

Market conditions, as well as the Bicentennial aspects of the show, whetted interest in the U.S. exhibits. Printers throughout France currently are modernizing their plants. In addition, the industry, although beset with labor problems, has benefitted from an upturn resulting from government investment incentives.

Sales during the event totaled $390,000; 12-month projections, about $4 million. With only four exhibitors seeking representation, two agreements were signed during the exhibition, and five are expected to be concluded during the next year.

# Security Equipment Mission Finds Ready Market In Spain, Italy

Winds of change blowing over Spain and Italy fanned a high degree of interest in a visiting U.S. security equipment trade mission last month.

The mission, offering commercial and industrial security items and consulting services, reports that the market for such equipment in both Italy and Spain is considerably brighter than general economic conditions would indicate. The $50 million import market of the two countries for such goods is expected to expand significantly with the anticipated European recovery and an increasing concern about safety, both personal and proprietary.

The U.S. companies' products included sophisticated closed circuit TV systems, ancillary video and instrument tape and disc recorders, metal detection systems, electronic security systems, and photo surveillance systems. Mission Director J. Raymond De Paulo, who heads Commerce's Charleston, W.Va., District Office, reports that the U.S. businessmen, all new to these markets, found their products competitive in both price and technology.

In Spain, a 1974 government regulation requires banks to install certain security equipment—mainly an alarm system, bullet-proof glass for tellers' windows, and cameras. All new banks must be inspected for compliance before being allowed to open.

The director of Spain's biggest security service company pointed out, however, that the bank-minimum-security regulation does not provide a continuing market for such equipment. He pointed rather to "the almost automatic higher incidence of crime associated with increasing urbanization and industrialization," said De Paulo.

The group, which visited Barcelona and Madrid, reported several further observations: that electronic detection for screening air passengers is not widespread; that jewelry stores use standard security equipment available from local manufacturers; and that museums, such as the Prado with its modern security devices, represent only a limited market.

Italy at present is unsettled both economically and politically, but in visiting Rome and Milan, the U.S. suppliers found ready markets for their particular products. Richard C. Schmidt, Mosler Safe Co., Wayne, N.J., said: "The individuals we interviewed from Italian industry and government were specifically those we wanted to meet." Richard D. Mico, Diamond Electronics, Lancaster, Ohio, commented: "Either of the two contacts made in Milan were worth the price of the trip." High-quality representation was achieved by those members seeking such agreements.

At the mission's conclusion, says De Paulo, the participants projected some $3.8 million worth of business during the next year, a figure they now acknowledge—as substantial sales are in the process of being negotiated—is "extremely conservative."

Other members of the mission were Johan Gutenberg, Mid East Specialists, Inc., Torrance, Calif.; Henri Nahoum, Technipol International, Foster City, Calif.; Dr. Roy J. Ricci, INTEX, Inc., Chevy Chase, Md.; and Charles W. Sole, Sole & Associates, Parkersburg, W. Va.

**STACKED UP FOR INTERVIEWS**—*Six businessmen in Rome await their turns to talk with U.S. security-equipment mission members at entrance to Business Information Center set up in hotel.*

# Mexicans Show Special Interest In Sawmill, Log Chipping Equipment

Mexicans displayed strong interest in U.S. equipment and technology at a recent forestry sales seminar and exhibition in the U.S. Trade Center, Mexico City. U.S. sawmill and log chipping equipment especially attracted prospective buyers.

During the event, held with the cooperation of the Southern Forest Products Association, representatives of ten U.S. firms demonstrated equipment and talked on various aspects of forestry harvesting and management. Sessions offering technical presentations by various Mexican and U.S. university professors, by Vazquez Soto, Mexican Undersecretary for Wildlife and Forestry, and John R. McGuire, Chief of the U.S. Forest Service, were attended by more than 300 persons, including 54 Mexican officials, and 75 solid sales leads were reported.

The long-run sales potential for forestry equipment in Mexico is considerable. The country has an estimated 100 million acres of forestry land, mostly undeveloped, and, according to a United Nations study, proper development of these resources could rank Mexican foresty industry output sixth in the world. Mexican media recently have been advocating exploitation of forests for industrial purposes and the new presidential administration, entering office in late 1976, will most likely address itself to this issue.

**FOCUS ON FORESTRY**—*Seminar experts meet the press in Mexico City U.S. Trade Center lounge. From left: Keith Judkins, Southern Forest Products Ass'n; Dr. John Bethel, U. of Washington; Vazquez Soto, Undersecretary for Forestry and Wildlife, Government of Mexico; John R. McGuire, U.S. Forest Service; J. Guy Gwynne, U.S. Embassy; Gonzalo Novelo Gonzalez, U. of Chapingo, Mexico.*

# *Reciprocal Values Of Dollar, European Currencies Given*

What is the value of the dollar in terms of European currencies, the value of such currencies in terms of dollars, and their values in relation to each other? Answers at a glance are provided in the table below, prepared by Paul A. Mayer of Commerce Department's Bureau of International Commerce from press reports of bank figures.

The prices are current as of mid-May. Most figures are rounded off, with a maximum inaccuracy of 5 percent. The table is intended to serve merely as a rough desk tool. For close financial calculations, up-to-the-minute information should be obtained from banks or other financial institutions specializing in foreign exchange.

| Country | Currency Units | Value In | a $ | b S | c Bfrs | d Dkr | e Ffrs | f DM | g £ | h Lit | i Hfl | j Nkr | k Esc | l Pts | m Skr | n Sfrs |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. United States | Dollars | $ ..... 1 | | 18 | 40 | 6 | 5 | 2.55 | 0.55 | 850 | 2.70 | 5.50 | 30 | 67 | 4.40 | 2.60 |
| 2. Austria | Schillings | S ..... 100 | 5.50 | | 215 | 33 | 26 | 14 | 3.10 | 4,700 | 15 | 30.50 | 167 | 372 | 24.20 | 14 |
| 3. Belgium | Belg. Francs[1] | Bfrs .... 100 | 2.50 | 46 | | 15 | 12 | 6.50 | 1.40 | 2,180 | 7 | 14 | 78 | 172 | 11.30 | 6.50 |
| 4. Denmark | Danish Kroner | Dkr .... 100 | 16.50 | 330 | 650 | | 78 | 42.50 | 9,30 | 14,200 | 45 | 92 | 500 | 1,110 | 73.30 | 42.50 |
| 5. France | French Francs | Ffrs .... 100 | 21.30 | 390 | 840 | 150 | | 54.25 | 11.75 | 18,000 | 57 | 117 | 633 | 1,425 | 93.60 | 54.25 |
| 6. Germany | Deutsche Marks | DM .... 100 | 39.40 | 720 | 1,550 | 235 | 185 | | 21.30 | 33,300 | 106 | 216 | 1,160 | 2,625 | 172.50 | 101 |
| 7. Great Britain | Pounds Sterling[2] | £ ..... 1 | 1.80 | 33 | 71 | 11 | 9 | 4.60 | | 1,550 | 490 | 9.90 | 50 | 122 | 8 | 4.60 |
| 8. Italy | Lire (Lit) | Lit ..... 1000 | 1.20 | 22 | 46 | 7 | 6 | 3 | 0.70 | | 3.20 | 6.50 | 36 | 79 | 5.20 | 3 |
| 9. Netherlands | Holl. Florins | Hfl .... 100 | 37.20 | 675 | 1,460 | 220 | 175 | 95 | 20.50 | 31,500 | | 204 | 1,110 | 2,480 | 164 | 95 |
| 10. Norway | Nor. Kroner | Nkr .... 100 | 18.25 | 330 | 730 | 108 | 85 | 46 | 10 | 15,400 | 49 | | 540 | 1,220 | 80 | 46.25 |
| 11. Portugal | Escudos | Esc .... 100 | 3.35 | 61 | 131 | 20 | 16 | 850 | 1.90 | 2,850 | 9 | 18.50 | | 224 | 14.90 | 8.50 |
| 12. Spain | Pesetas | Pts ..... 100 | 1.50 | 27 | 58 | 9 | 7 | 3.80 | 0.85 | 1,270 | 4 | 8.25 | 44 | | 6.60 | 3.80 |
| 13. Sweden | Swedish Kroner | Skr .... 100 | 22.75 | 415 | 885 | 135 | 107 | 57.50 | 1250 | 19,300 | 61 | 125 | 675 | 1,523 | | 57.50 |
| 14. Switzerland | Swiss Francs[3] | Sfrs .... 100 | 39.25 | 715 | 1,540 | 230 | 180 | 99 | 2110 | 33,200 | 105 | 215 | 1,150 | 2,620 | 172 | |

[1]Used also in Luxembourg. [2]Used also in Ireland. [3]Used also in Liechtenstein.

## Worldwide Business Outlook

# Development Gets Priority In Mexican Import Policy

After a restrained performance in the first half of 1975, the Mexican economy gained strength as the year progressed. Some observers believe this momentum will continue to improve, while others are predicting more sluggish activity this year. In either case, adds Robert A. Kohn, Commercial Officer at the U.S. Embassy there, Mexico will continue to import a heavy volume of American products, with special emphasis on foodstuffs, raw materials, semi-manufactures and capital goods.

While total imports into Mexico are unlikely to increase much, if any, in real terms during 1976, the composition of imports may change. Importation of foodstuffs may increase in the second half of the year to offset a decline in the first half. Agricultural equipment imports should decline somewhat while capital goods should increase. Non-essential imports, such as consumer goods and luxury items, already almost totally excluded, will continue to decline as Mexico becomes increasingly more selective in the issuance of import permits.

### Ranks high as U.S. market

In 1975, the United States continued to supply more than 60 percent of Mexico's import market. Mexico, our fourth largest export market in the world, almost overtook Germany for third place in 1975. Mexico alone accounted for more than 30 percent of U.S. exports to Latin America, despite a 32 percent decline in farm product imports from the United States.

The U.S. share of the market could increase in 1976, depending to a large extent on world exchange markets. Nevertheless, our major competitors in Europe and Japan can be expected to increase their efforts in Mexico to help end their recessions at home. At the same time, Mexico will press even harder for import substitution, particularly in capital goods.

Mexico hopes to be able to increase its exports in 1976 and thus be in a better position to pay for essential imports. The abatement of the world recession should provide improved markets for Mexican products. The recently implemented U.S. generalized special preference system also should increase Mexican exports to the United States. Sales to the European Common Market and COMECON countries should also improve somewhat as a result of their generalized special preference systems and economic cooperation agreements with Mexico.

The devaluations of the U.S. dollar, the tying of the Mexican peso to this currency and the proximity of the U.S. to Mexico place the United States in a very favorable position vis-a-vis most other industrial countries in trade with Mexico. Although the policy of the Mexican Government has been to make every effort to break away from traditional dependence on the United States, the devaluation factor has tended to maintain or increase this dependency.

### Equipment with essential role

Electronic production and test equipment has high potential for continued export sales due to its essential role in Mexico's aggressive industrialization program. Products which enjoy maximum acceptance are oscilloscopes, measuring instruments, signal generators, microwave test instruments, electronic integrating instruments and pilot circuit devices.

Similarly, U.S. electronic components do extremely well on the Mexican market. The average annual rate of expansion in sales of electronic components has been 12.6 percent for the last three years, with imports reflecting a much greater percentage increase. Sales are particularly good for coils, transformers, chokes, resistors, semi-conductor diodes, capacitors and electronic tubes.

With impressive new investments in key industries such as steel, petrochemicals and energy, prospects for metalworking and finishing equipment are excellent. The market for this equipment should reach $85 million by 1978. Mexico currently imports almost all its capital goods requirements, but with increased attention to domestic production of these products the importation of simple machine tools should decline while metal cutting and forming equipment should increase correspondingly.

Over the next five years, the Mexican Government will invest several billion dollars in development and expansion of the steel and electric power industries. Successful completion of these programs will rely heavily on imports. Apart from large generators and turbines not manufactured in Mexico, the electric power expansion program will require purchases of electrical and power equipment of all sizes and capabilities. Although growing, the domestic manufacture of these products remains a limited, low technology business. Similarly, new steel mills will create a huge demand for pumps, valves and compressors. U.S. manufacturers must ensure that their products remain competitive in price and quality in order to offset possible inroads by third country competitors. Maximum effort should be directed toward the sale of steam, gas and hydraulic turbine generators, large power transformers, switch gear, power circuit breakers, hydraulic pumps and gas compressors.

### Largest industrial sector

The food industry is Mexico's largest single industrial sector. It is expected to spend in excess of $70 million for processing and packaging equipment in 1978. Food consumption patterns of Mexico's growing and increasingly urban population are rapidly changing and require more sophisticated processing and packaging equipment. The United States has traditionally been Mexico's key supplier of this equipment, reflecting in part the fact that many important food processors in Mexico are subsidiaries of American corporations. It is possible that the United States could increase its market share from the current 62 percent

**MEXICO'S 'SATELLITE CITY'**—*Mexico City's growing suburbs now house more than one million. Demand for residential dwellings should keep imports of heavy-duty construction and earthmoving machinery strong through the seventies.*

to 80 percent through aggressive marketing.

Little import substitution is expected in this sector. While import permits are required, these are normally granted for products that enter the country as part of complete processing systems. Caught between rapidly rising production costs and government price controls on finished products, many food processors are converting to more automated systems in their plants.

Emphasis in food processing equipment should be on centrifugal clarifiers, and bottling lines for beverages; milling systems, pulverizers and crystalizing machines for sugar and confectionery products; ash ovens, coffee roasters and granulizers for grains; prepressing mills, deodorizers and husking machines for fats and oils; autoclaves, colloidal mills, pulpers, and pickling equipment for fruits and vegetables. In food packaging equipment, there is a good market for forming, filling and sealing equipment, wrapping and packing equipment, and marking and inspecting machines.

Process control instrumentation is another field with high import potential. As Mexican industry becomes more sophisticated, rising labor costs make labor-saving equipment even more attractive. Automation is gaining ground daily despite the government's exhortations to industry to create new jobs. Imports from the United States of process control instrumentation exceed more than 50 percent of the total Mexican market. Domestic production is not anticipated in the foreseeable future due to Mexico's limited research and development base in this field.

### Construction need continues

The outlook for heavy-duty construction and earthmoving machinery as well as concrete and asphalt machinery is especially good for 1977 and beyond because of Mexico's continuing need for infrastructure, housing and industrial plant construction. On the other hand, it is almost impossible to import building materials and hand tools because domestic production of these items is sufficient to meet demand. The list of domestically produced goods in this field is lengthening each year; for example, the lucrative import market for track-laying crawler tractors will soon be eliminated by local production. Principal customers are government agencies and construction companies, which account for over 85 percent of total purchases of these products.

Important categories of communications equipment and systems have a high potential for incremental U.S. export sales due to Mexico's long-range need for expansion of its communications network. These merit strong promotion in view of their high dollar-sales possibilities.

The Mexican Government is the principal purchaser, as the telephone, telegraph and data communications systems are government-owned or controlled. Government policy is to standardize equipment to the greatest extent possible. Private sector customers concentrate on mobile radios, CCTV, test equipment, and alarm and signal equipment. Sales by Sweden and West Germany exceed those of U.S. manufacturers in this field.

### Health care gets priority

With the Mexican Government continuing to expand its large hospital system and being almost totally dependent on imports, the promotion of sophisticated health care equipment and instrumentation should be given priority. In the private sector, the greatest demand for these products comes from private hospitals, clinics and physicians. In 1974 total imports of health care equipment and instrumentation were valued at $36 million, of which $17.7 million came from the United States. Sales should increase by at least 10 percent annually through 1978.

Products which enjoy maximum acceptance for promotion are sterilizers, autoclaves, X-ray equipment, dental equipment, eye-examination and optical instruments, diagnostic instruments, laboratory analysis, and medical, surgical, opthalmological and veterinary instruments and apparatus.

Also important in sales potential is equipment for the graphic arts industry; Mexican requirements are expected to double over the next five years, and imports satisfy most of the requirements. The Mexican Government's goal to increase exports of Spanish-language books will stimulate expansion and modernization of domestic printing plants. Almost all important firms have major expansion and modernization plans. The United States has traditionally been Mexico's principal supplier of graphic arts equipment and sales should reach $25 million by 1978.

Mexican import restrictions do not substantially affect sales to this industry, except for lithographic plates, which are manufactured locally. Geographic proximity, a longstanding and close trade relationship, and technological superiority give the United States a strong competitive lead. Most promising sales potential here is in fully computerized photocomposition systems, correction and editing systems, linotype machines, web offset presses, saddle binders and hardbound bookbinding machines.

The Commercial Section of the U.S. Embassy offers a full range of services to U.S. businessmen and investors. The U.S. Trade Center, conveniently located in downtown Mexico City, provides American firms with an ideal showcase for exhibiting their products, finding local sales representatives and participating in technical seminars. In 1975 the Trade Center hosted 13 major events and 73 single-company promotions. Major events currently scheduled for the remainder of 1976 will feature railroad equipment, professional broadcasting and communications equipment, metallurgy equipment, quality control and materials testing equipment, and plant engineering and operations equipment. Firms interested in participating in these trade shows or in using the Trade Center for individual exhibits should contact the nearest District Office of the Department of Commerce.

Important sectors of Mexican industry have traditionally formed close ties with American firms. U.S. products are generally well-known and popular with Mexican end-users. Additionally, U.S. products enjoy the advantages of short delivery time, quick service, and ready availability of spare parts. While the United States continues to enjoy a commanding share of the Mexican import market, European and Japanese competition is strong and effective; American exporters must maintain an aggressive stance and ensure that their product lines remain competitive in terms both of price and quality. While economic growth may be sluggish in 1976, Mexico has remained economically and politically stable for more than 30 years and will remain one of the largest buyers of U.S. products in the world.

Mexico continues to welcome foreign investment, but only on its own terms, which generally require majority Mexican ownership in new investments.

## New Italian Deposit Rule Will Raise Cost Of Imports

In an effort to stem the continued fall in the lira and the attendant worsening of the economy, the Italian Government has imposed a 50 percent prior deposit requirement for virtually all purchases of foreign exchange for imports (except wheat), service payments and capital movements.

The non-interest bearing prior deposit of 50 percent of the value of foreign exchange to be purchased has been established for a 90-day period, effective May 6. The deposit must be made to cover all purchases by residents of foreign currency with lire, both for spot and forward foreign exchange settlements. As a practical matter, it is expected that the cost of an imported item will increase by 2.5 percent, given the present interest rate structure on short-term financing in Italy.

# Good Monsoons Give India Chance To Pursue Goals

The overall economic situation in India has improved significantly over the past year due to good monsoons. In addition to a record food grain harvest of 109-111 million metric tons, the industrial sector can look forward to much greater availability of such vital inputs as electric power, agricultural raw materials, coal, steel and cement. Labor peace, also a necessity for the growth of industrial production, appears to have been successfully achieved, adds Paul V. Ray Jr., Commercial Attache at the U.S. Embassy in New Delhi.

In 1974 the GNP growth rate had dipped to less than 1 percent, primarily as a result of poor monsoons, an anti-inflationary policy that stifled industrial production, and OPEC-generated oil price hikes. The growth rate in 1975, however, rose to approximately 5 percent, and it is expected to remain near this level in 1976. Industrial production was up 3.9 percent in 1975, as compared with 0.2 percent the previous year, and is expected to reach 4-6 percent in 1976. Through a series of tough fiscal measures, the government successfully contained the 27 percent annual inflation rate of 1974, to an impressive annual average of 1.4 percent in 1975.

India's total import bill for 1975 approximated $6.1 billion, of which 75 percent covered the costs of such critical import requirements as petroleum, fertilizers/chemicals, food grains and industrial machinery and equipment. Export earnings during this same period, on the other hand, came to almost $4.4 billion, leaving a trade deficit of $1.7 billion. Due primarily to remittances from Indians abroad and increased external assistance flows, the government has still managed to maintain a comfortable margin in foreign exchange reserves, that increased to an estimated $2.2 billion by the end of March.

More than ever before, India seems determined to pursue vigorously its economic development priorities. These include the attainment of self-sufficiency in energy resources, the fuller exploitation of its mineral resources, in-depth expansion of the producer goods industries, and, most importantly in the Indian context, the achievement of agricultural production adequate to meet growing domestic requirements. In support of these objectives, the government's recently announced budget for 1976-77 allows for record allocations to priority sectors of the economy.

On the domestic investment side, the government is continuing a tight credit policy to keep inflation under control. To encourage increased industrial production, the government will provide incentives that include the assurance of availability of raw materials and adequate power, greater accessibility to import licenses for export-oriented industries and other high priority industrial projects, and some relaxation of price controls/excise taxes for those industries possessing considerable unutilized productive capacity, such as the textile industry.

U.S. exports to India totaled nearly $1.3 billion in 1975, a 70 percent increase over 1974. The U.S. share of India's total imports meanwhile rose to 21 percent.

In terms of value, agricultural exports took the biggest share, with $760 million ($611 million for wheat alone), approximately 58 percent of all U.S. exports to India in 1975. Other major U.S. product exports, in descending order of value, were industrial machinery, fertilizers and chemicals.

For 1976, total U.S. exports to India could go as high as $1.5 billion. Current projections indicate that total value of U.S. agricultural exports will decrease slightly—to about $650 million—while high technology machinery, equipment and services will increase.

Product categories offering good sales potential include the full range of offshore oil exploration/drilling/production machinery and equipment; super-thermal power plant machinery and equipment; mining machinery and ore processing equipment; sophisticated electronics/communications equipment; scientific, industrial and medical instruments; leather processing and finishing machinery; and selected, high technology pumps, valves and compressors. U.S. agricultural exports to India on commercial terms will, of course, continue to be the most important export category, but as a percentage of total U.S. exports to India, will probably slowly decrease—barring any unforeseen weather calamities. As India slowly increases its productive capacity in fertilizers and chemicals, these two product categories are also likely to become relatively less important. Prospects for significant U.S. exports of railroad equipment against IDA lines of credit remain good, provided that U.S. suppliers respond seriously to bid notifications.

In addition to the superior technolog-

**FIRST IN INDIA'S FASTENING INDUSTRY**—*A letter of intent for the first U.S./India joint venture in the fastening trade is signed by K. S. Chadha, President of Auto and General Engineering of India; Jack Shor, President, Jefferson Screw Corp., New York; and G. F. Srivastava, Chairman of the Delhi State Industrial Development Corp. Looking on, from left: N. N. Desai, Deputy Consul General of India; Bob Garfinkel, Jefferson Screw; and B. Laoria, A. K. Ray and M. L. Garg of the Trade Development Authority of India. The new company will be based in New Delhi.*

ical features and general price competitiveness of the product categories mentioned above, several factors have combined to produce better-than-average prospects for U.S. suppliers:

- The Oil and Natural Gas Commission, a public sector enterprise, has been given virtual carte blanche to explore and develop India's offshore oil deposits as rapidly as possible. This will necessarily entail sizable allocations of free foreign exchange.
- The $630 million Iranian-financed Kudremukh iron ore project will soon be getting under way, with a good possibility that U.S. firms will be among the prime contractors and major suppliers for the project's import requirements, which are estimated at $300 million.
- Coal India Ltd., another public sector enterprise, is in the market for sophisticated hard rock mining winders, belting equipment, coal cutters, loaders, hydraulic props, draglines, flame-proof electrical equipment and mine safety equipment—most of which will have to be imported or produced under license.
- Prospects for product categories mentioned earlier are good because they figure prominently in those industrial development projects to which the government has attached very high priority.

One important constaint, where a project is not financed by an international institution, will be the lack of availability of commercial or U.S. Government financing. It is here that other foreign competitors are frequently at an advantage vis-a-vis prospective U.S. suppliers.

Government public sector enterprises such as the State Trading Corp., Minerals and Metals Trading Corp., Oil and Natural Gas Commission, Coal India Ltd., Kudremukh Iron Ore Co. Ltd., Post and Telegraph Dept., Electronics Trade and Technology Development Corp. of India, and Council of Scientific and Industrial Research (a branch of the Dept. of Science and Technology), are fast becoming the major buyers/distributors and/or end-users of imported raw materials, machinery and equipment. The private sector, however, still plays a major role.

In either case, and the expressed preferences of public officials to the contrary, U.S. firms that have had experience in India are uniformly agreed that competent local agents are indispensable in following up business leads. They have been useful in reporting and negotiating on trade opportunities, and in following up with import licensing authorities. More than 2,000 U.S. firms maintain agency representation in India.

In 1973, the government enacted the Foreign Exchange Regulation Act (FERA), which attempts to define the role foreign investment will play in India. That role is still being defined and will take some time to crystallize, but one message is clear for prospective new foreign investors: Only equity investment that involves a substantial export commitment and/or the transfer of needed high technology in priority sector industries will be given serious consideration.

In April, the government introduced further, and perhaps significant, amendments to the FERA guidelines, that apply to both existing as well as prospective new foreign investments. The guidelines, as amended, take a more realistic view of the complexities of foreign equity investments and their relative contributions to development priorities.

The potential private investor should also be aware that there are frequently many time-consuming, bureaucratic obstacles that will confront him, despite the best efforts of the government's policy-makers and mid-level decision-makers to create an attractive foreign investment climate in selected priority sectors. These obstacles aside, India offers the foreign investor a potentially large and growing market, well developed infrastructure, extensive natural resources (especially minerals), an established domestic capital market, competent managers and plentiful skilled labor as well as a relatively low wage structure.

Some of the more promising areas for new foreign investment include offshore oil machinery; ship ancillaries; special steels; electronic components and equipment; industrial instruments—indicating, recording and regulating devices for pressure, temperature, flow, weighing and leveling; scientific instruments; nitrogenous fertilizers, using coal as feedstock, and phosphatic fertilizers; synthetic resins and plastics; man-made fibers; insecticides, fungicides and weedicides; plate glass; and ceramics refractories.

The profit record of U.S. private investments in India indicates that a company willing to operate within the FERA guidelines can do well. The number of U.S.-India joint collaborations, particularly licensing arrangements, continues to rise, although most are small and the value of U.S. equity investment in India remains constant. At the end of 1974, there were 400 joint ventures, of which about 120 involved equity participation totaling $351 million at book value. During 1975, the government approved an additional 30 U.S.-India joint ventures, of which 13 involved equity totaling about $1.5 million in new investments.

# *Austrians Ready For New Products; Sales Will Go To Attentive Suppliers*

Although the Austrian recession is not over, economic forecasters predict real growth in GNP of 2.5 percent in 1976. Recovery from the country's comparatively mild recession can be expected to follow an upward trend in West Germany. Meanwhile, business goes on and Austrian firms continue on the lookout for new and interesting foreign products, according to Joe Lill, Commercial Attache at the U.S. Embassy in Vienna.

Austria has an annual import bill of $8 billion. The United States is its main non-European trading partner, both for exports and imports. U.S. exports to Austria in 1975 amounted to $275 million; imports from Austria totaled $186 million.

The United States maintained its share of the Austrian market in 1975, while some slippage occurred in the overall market share of the EEC. This is particularly noteworthy since import duties on most commodities from the EEC had been reduced by 60 percent. They were lowered another 20 percent this year and will be completely eliminated on July 1, 1977, under terms of the EEC-Austrian bilateral preferential trade agreement.

The dollar/schilling exchange rate is favorable for U.S. exporters, as are the competitive prices of many American products. Another reason for the steady U.S. market share is that Austria has a rather long list of products with zero tariff rates. These include many chemicals and pharmaceuticals, photographic films, aircraft, a variety of scientific instruments, and some types of machinery. Also, Austria grants unilateral, *ad hoc* tariff waivers or reductions on a multitude of products where there is no—or insufficient—domestic production, or in order to keep prices down and encourage more competition in domestic industry.

That is the cheerful side of the coin. It is sobering to note that the U.S. market share in Austria (2.9 percent) is considerably smaller than in other West European countries, including neighboring Switzerland. Just why so many American exporters neglect the Austrian market is difficult for observers in Austria to understand. The country has a stable government, a $38 billion GNP and a high standard of living, a strong currency, a liberal trade policy, a highly competent and experienced international trading community, a broad and advanced industrial base, and a receptive attitude toward American goods.

Why are U.S. suppliers not doing more to capitalize on these favorable conditions at a time when the exchange rate makes American products so attractive? Many Austrian businessmen conclude that American firms do not take the Austrian market seriously. Too many export man-

agers approach would-be customers with a take-it-or-leave-it attitude; there is too little flexibility in accommodating reasonable credit needs; business letters are often sloppily written and others display an ignorance of European business practices. Austrian firms expect as a rule to receive price quotations c.i.f. European port, but these are by no means always provided even when specifically requested. In short, in the hospitable but competitive Austrian market the importer is too often left wondering whether the U.S. supplier is really interested in getting his business.

This is regrettable because Austrian firms are interested in a broad spectrum of American goods. There has been a notable increase in the number of trade opportunities reported in recent months by the American Embassy in Vienna and the Consulate in Salzburg. These indicate particular interest in American industrial machinery and equipment, scientific instruments, sporting goods, building materials, housewares, textiles, pharmaceuticals, and of course, quartz watches.

Austrian importers give careful study to the potential market for new goods and do not take on a distributorship lightly. When they do find a promising product that fits into their sales program, they generally promote it vigorously and expect the supplier's full support in this effort. Austrian firms are used to businesslike dealings with foreign suppliers. American manufacturers and exporters will usually find them willing to go more than half way in establishing a mutually beneficial relationship.

**Quality, style conscious buyers**

The Austrian buyer is quality and style conscious. He, of course, looks for bargains but does not often sacrifice durability for price. It behooves the U.S. exporter to take a look at the Austrian market before concluding that a market isn't there. Needless to say, an Austrian agent/distributor can give him better advice and support on this score than a firm in Frankfurt or Hamburg.

Projects in Austria offering potential for U.S. exports include two natural gas pipelines to be built by the Austrian oil administration. Still in the preliminary planning stage is a $100 million project to establish a joint civil/military automated air traffic control and surveillance system.

The Austrian tourism industry earns about enough foreign exchange to cover the large trade deficit. Components of the tourism industry offer attractive sales targets for exporters of hotel and restaurant equipment and supplies.

Several internationally-known manufacturing, engineering and construction firms in Austria perceive possibilities for more licensing, cooperation and joint venture agreements with American companies. Firms such as Waagner-Biro, VOeEST-Alpine, Elin and Wiener Brueckenbau have been involved for many years in large projects both at home and abroad. For example, opportunities are seen for U.S. firms to enter the East European and Near Eastern markets as subcontractors to Austrian enterprises already active in that area. In fact, American participation with Austrian firms in third country ventures offers growing opportunities for U.S. companies that should be exploited.

A major reason Vienna was chosen as site of the U.S. East-West Trade Development Office is the large concentration there of trading, manufacturing and service firms that do business not only in Austria but also in Eastern Europe. Located at 2 Friedrich Schmidt-Platz, this office provides information about East-West trade to American companies and supports trade events sponsored by the U.S. Department of Commerce in the USSR and Eastern Europe. American business executives are encouraged to write or visit this office to become acquainted with its services.

# U.S. Exporters Claiming Bigger Share Of Smaller Chilean Import Market

The U.S. share of Chile's import market rose impressively to 30 percent last year, from 20 percent in 1974, reports Harrison B. Sherwood, Commercial Attache at the U.S. Embassy in Santiago. While Chile's total imports were falling from $2,233 million in 1974 to $1,804 million in 1975, a reduction of nearly 20 percent, purchases from the United States were rising from $452 to $533 million.

These changes in the trade picture occurred while Chile was undergoing a year of austerity, reflecting efforts by the country's economic planners to cut the balance of payments deficit and curb inflation, while at the same time reducing the role of government and giving greater play to market forces and competition. The government's program was featured by deep cuts in public spending and divestment of dozens of publicly-held industries from the public sector. Adding to these economic disturbances, Chile's terms of trade deteriorated further during the year: the cost of petroleum continued to climb, while prices for Chile's most important export, copper, dropped from abnormal highs of $1.50 per pound early in 1974 to abnormal lows of less than $0.55 per pound in late 1975.

An analysis of Chilean import figures reveals some interesting shifts in the supply structure while total imports were being cut back. Food imports fell by 30 percent as domestic production rose and agricultural price controls were lifted, thus dampening domestic demand. Imports of petroleum fell in proportion to all other imports, reflecting the general slowdown of industrial activity. On the other hand, demand for imported capital goods and replacement parts for industrial machinery and transportation equipment was strong in relation to other imports; capital goods and replacement parts imports fell by only 13 percent.

The oil-producing countries as a group continued to provide about 16 percent of all Chilean imports. Argentina and Australia showed dramatic declines in exports to Chile. Argentina, reflecting that country's chaotic economic conditions during 1975 and its inability to sustain high levels of medium-term exporters' credits, fell from a share of 17 percent of the Chilean market in 1974 to less than 3 percent in 1975. Australia, for domestic political reasons, had a virtual embargo on shipments of goods to Chile during 1975 and its share of the Chilean market dropped from 5 percent in 1974 to almost nothing in 1975.

West German imports fell from $173 million in 1974 to $126 million, a drop from 8 to 7 percent of Chile's smaller total import figure in 1975. Brazil improved by one percentage point, to 5.5 percent.

Spain and Peru both pulled up their respective shares of Chilean imports in 1975 over 1974. Spain managed, mainly by virtue of extensive long-term export credits, to improve from 1.6 to 5.5 percent. Peru came from 1.5 to about 6 percent, but only because of a large one-time shipment of raw sugar which was processed in Chile and re-exported.

The availability of credits continues to be important in competing in the Chilean market. Chilean figures for 1975 show that 70 to 95 percent of imports from Spain, France and Brazil were financed by medium to long-term tied credits. However, the United States and West Germany, Chile's most important industrial suppliers, extended such credits for only about 17 to 20 percent, respectively, of their shipments to Chile. A major part of the U.S. "tied" exports consisted of shipments of wheat under P.L. 480.

Short-term suppliers' credits—90 to 180 day letters of credit—are the usual way of financing exports to Chile. In this respect many U.S. banks, large and small, have activated or reactivated their lines of credit to Chilean banks and local industry. In addition, several U.S. banks have opened local finance offices, one re-

opened a branch bank, and several others are seriously considering branch banking in Chile. These activities may be important indicators that, at least as far as industrial markets are concerned, the immediate prospects for U.S. exporters are good.

Projections by the Central Bank of Chile show that the country expects to import about the same amount of goods in 1976 as in 1975, some $1,800 million. The Bank's figures are based on the assumption that the price of copper will average 60 cents a pound during the year.

### U.S. share trends upward

Since the change of government in 1973, the U.S. share of the Chilean import market has steadily improved. Sherwood notes a trend within the Chilean importing sector, based on the generally superior performance of U.S. exporters, which could lead to regaining of the traditional 40 percent of Chilean imports we enjoyed in the 1950s and 1960s. This trend is based on increasing reliability and adaptability of U.S. exporting firms, as well as their Chilean agents. It also reflects a disenchantment to some extent with "bargain basement" imports from countries that offer liberal credits, but whose products tend to be inferior technologically. Sherwood believes that as this phase passes, and as Chilean customers reacquaint themselves with American suppliers, the U.S. share will continue to expand. In 1976, he expects U.S. products to have one-third of the Chilean import market, and to top $600 million in value.

In the event that copper prices continue to rise, there may be considerable improvement in sales of machinery and equipment in the mining sector, where inventories of supplies have been run down and where much machinery and transportation equipment is in need of replacement. Such an improvement would also have important implications for U.S. exporters of materials handling, communications, automation and maintenance equipment.

In addition to other Department of Commerce programs designed to facilitate entry into the Chilean market, U.S. firms which intend to start marketing their products in Chile should be aware of the Santiago International Fair (FISA '76), Oct. 28-Nov. 14. This event is the only trade fair in Chile of general interest to U.S. exporters; it draws some 1,500,000 paying visitors annually and in 1976 will feature some 12-18 national pavilions. U.S. firms interested in displaying their wares at the fair will also find it an ideal point of contact with potential Chilean agents or distributors. Interested firms should contact the Commercial Attaché, U.S. Embassy, Santiago, for further details.

# International Business Reports

**Arab States of the Lower Gulf: People, Politics, Petroleum. By John Duke Anthony. $10.95.**

Account of the peoples and political dynamics, and the impact of petroleum on both, of nine states that achieved independence from Britain in 1971—Bahrain, Qatar and the seven member states of the United Arab Emirates.

**Write:** The Middle East Institute, 1761 N St., NW., Washington, D.C. 20036.

**Economic Surveys for France and United Kingdom. Published by the Organization for Economic Cooperation and Development. $2.50 each.**

Each booklet discusses recent developments in the subject economy and offers the OECD's analysis of prospects for 1976 and beyond.

**Write:** OECD Publications Center, Suite 1207, 1750 Penn. Ave. NW., Washington, D.C. 20006.

**Eight Mineral Cartels: The New Challenge to Industrial Nations. By the editors of Metals Week. 177pp. $45.**

Each of the world's most important mineral cartels—oil, tin, copper, bauxite, iron, lead, mercury and tungsten — is analyzed and graded according to its past and present effectiveness, and potential for future success. Features country-by-country studies for the different cartels, describing how they operate and make decisions, what philosophies they follow, and the likelihood of future success.

**Write:** McGraw-Hill Book Co., 1221 Avenue of the Americas, New York, N.Y. 10020.

**Exporters' Encyclopedia—World Marketing Guide. 71st edition. Published by Dun & Bradstreet. 1,700pp. $150.**

New overseas requirements in product safety, advertising claims and ecology control measures are featured in the new edition, which spotlights selling and shipping information on more than 220 world markets, including new international requirements in product marking, labeling and packaging, pollution measures and consumer protection rules. Other changes include added entries on several newly-independent nations and expanded coverage of Mid-East countries. Continues to provide data on import requirements and export documentation on a country-by-country basis, as well as state trading, nationalization of procurement and metric requirements. Also features export reference information, such as trade definitions and practices, communication and transportation services and international business information sources and services. Twice-monthly newsletters keep data current for subscribers.

**Write:** Exporters' Encyclopedia—World Marketing Guide, P.O. Box 3224, Church St. Station, New York, N.Y. 10008.

# Calendar For World Traders

**May 26—New York**—FCIB International Round Table Conference on Finance, Credit, Collection and Exchange Problems, in conjunction with 80th Annual Credit Congress, Hilton.

**May 26-27 — Cleveland** — Conference on Intermodal Techniques: New Profits in Foreign Commerce, Sheraton-Cleveland. Sponsors: The Containerization Institute, Inc., and Ohio Foreign Commerce Assn.

**May 27—Sioux Falls, S.D.**—Mid-American Chamber of Commerce Executive Conference.

**June 2-4—New York**—World Trade Institute seminars on Divestment Abroad; Foreign Tax Credit; and Import Documentation and Procedures.

**June 3—Memphis**—Mid-South Exporters Round Table dinner meeting, Monte's Restaurant.

**June 7-10—New York**—AMA seminars on How to Do Business in Developing Countries, and Marketing Through Overseas Agents and Distributors. For information, 212-586-8100.

**June 9—New York**—FCIB Publishers Export Credit Group luncheon meeting, Summit Hotel.

**June 10-11—Ann Arbor**—Seminar on Tackling the World Auto Parts Markets After the Crisis. University of Michigan, Graduate School of Business Administration, 313-763-1387.

**June 15—New York**—FCIB Hardware-Automotive & Allied Trades Group luncheon meeting, Summit Hotel.

**June 17—New York**—FCIB Drug, Chemical & Food Export Club luncheon meeting, Summit Hotel.

**June 17-18—New York**—Practising Law Institute seminar on Legal Aspects of Doing Business with Egypt, Iran, Saudi Arabia and the Gulf States, Sheraton. For information, 212-765-5700.

**June 17-18—Toronto**—FCIB International Credit Executives Seminar and Conference, Airport Hilton.

# Worldwide Business Opportunities

*International trade specialists in the Department of Commerce and Foreign Service Officers in the U.S. Embassies and Consulates around the world are continually developing specific commercial opportunities through which American companies can find buyers, agents, partners or investors abroad. One of the major means for communicating these opportunities promptly and accurately to the U.S. business community is through the columns of this magazine.*

*The section that follows presents details about licensing and joint venture proposals, opportunities to sell to foreign enterprises and appoint agents, and details on major construction and expansion projects.*

## Licensing, Investment Abroad

**0212, 0179—NIGERIA**—Firm seeks joint venture or management arrangements to establish an **operation for breeding and feeding local cattle.** Initial undertaking would be 200 head. Company also wishes to establish **mango plantation** beginning with 100 acres of land. Alhaji Ilya Ibrahim, Investment Corp. Ltd., P.O. Box 793, Kano. P-76337. OPIC.

**0251, 0213—NIGERIA**—Joint venture or management arrangement sought to establish large **swine and/or poultry production unit.** Established in 1973, firm operates wholesale distribution business for frozen fish. Has branches in several cities, 127 employees. Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-76338. OPIC.

**1629—SAUDI ARABIA**—U.S. company is sought to participate in joint venture **dredging firm** to operate in Middle East, principally Saudi Arabia. Large Saudi contractor, engaged primarily in bridge construction, and Norwegian concern would join partnership. American concern would provide technical know-how and dredging equipment. Sven Seirsted Bodtker, Dir., Enterprise Maritime A/S, Rosenkrantzgaten 21, Oslo 1. P-76336. OPIC.

**2311—UNITED KINGDOM** — Manufacturer and exporter of **men's suits and casual wear** seeks U.S. licenses to manufacture similar products. Firm is part of Highams Group of Companies, employs 200 persons, has annual sales volume of $3 million. Leslie Blass, Mng. Dir., Leslie Blass Ltd., 1155 Cathcart Rd., Glasgow G42 9HE, Scotland. P-76339.

**2322, 2329—UNITED KINGDOM**—Manufacturer of quality **men's underwear and clothing for sports participation** seeks manufacturing arrangements with U.S. firms which produce similar products. Company was established in 1947, has 30 employees. It has factory area of 5,000 sq. ft. available for additional manufacturing or warehousing. Firm's products are exported to Common Market countries, Central America, West Indies, West Africa. R. I. McMinn, Mng. Dir., Wright, Ireson & Co. Ltd., Eltex Works, Briardale Rd., Liverpool 18, England. P-76340.

**2514 — NEW ZEALAND** — Established firm is interested in manufacturing **tubular furniture and institutional furniture** under license. Currently manufactures, in addition to range of institutional, motel/hotel type tubular furniture, hospital couches, stands, I.V. drip poles, commode chairs and geriatric wheel chairs. I. R. McLachlan, Mng. Dir., Chester & Barclay Ltd., P.O. Box 15-363, Auckland. P-76351.

**2541, 2542, 2522, 2521, 3953 — UNITED KINGDOM**—Firm seeks licensing agreement to manufacture **office equipment, furniture fittings, office and desk accessories.** Company is manufacturer of furniture castors and glides and desk pencil sharpeners. R. A. Le Page, Mng. Dir., Joseph Gillott & Sons Ltd., Victoria Works, Birmingham Rd., Dudley, W. Midlands DY1 4RL, England. P-76366.

**2831—JAPAN**—Seeks contact with U.S. firms with abundant experience and unique, advanced technology relating to production and/or uses of **enzyme, microbe (including small scale fermentation) and plant tissue culture.** Japanese company requests that U.S. firm have no exclusive arrangements covering same line with other Japanese firms. Japanese firm was founded in 1934, employs 6,200, has annual sales of about $300 million. Its product line consists of air conditioners and chemical products including such fluoro chemicals as refrigerants, herbicides and fluoropolymers. Hiroyuki Wada, Project Mgr., Chemical Division, Project Planning & Development Dept., Daikin Kogyo Co., Ltd., Shin-Hankyu Bldg., 8, Umeda, Kita-ku, Osaka 530. P-76367.

**2833 — UNITED KINGDOM** — Seeks licensing or joint venture arrangement for establishment of **chemical processing plant,** incorporating heat exchange equipment, reactors, separators, etc., with associated piping, pumps and valves. Firm is engaged in ship chandlery and fishing activities. Established in 1912; labor force is about 1,750. Write: Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-76341.

**2879 — INDIA** — Firm seeks technical know-how for manufacture of **malathion** (pesticide), with production capacity of 800 tons per year on three-shift basis. Total cost of project is estimated at $500,000. American collaborator will be expected to have equity participation, to be mutually agreed upon. American collaborator also will be expected to assist in procuring machinery and equipment. Indian firm's proposal has received preliminary approval (Letter of Intent) of Government of India. Official approval has been given because total demand for pesticides in India is expected to increase. To reduce import demand for pesticides, India is willing to permit foreign collaboration for local manufacture of pesticides. Firm presently manufactures raw materials used in plastic industry. Annual turnover, around $5 million. D. Krishnan, Development and Export Mgr., East Anglia Plastics (India) Ltd., 3 Camac St., Calcutta 700016, West Bengal. WTDR. P-76342. OPIC.

**3079—UNITED KINGDOM** — Seeks to manufacture under license FDA-approved **childproof containers and closures.** Firm is division of National Plastics Ltd. group, established in 1920, and is part of giant Courtalds Group. It manufactures metallic collapsible tubes, plastic containers and closures, floor and wall tiles, and general plastic injection moldings. Group employs 1,700, has annual sales of $32 million. D. Greaves, Work Mgr., Betts & Co., Ipswich Rd., Colchester, CO4 4HE, Essex, England. P-76369.

**3431, 3079—UNITED KINGDOM**—Manufacturer of bathroom and laundry-room fittings, general housewares, furniture castors, etc., is interested in manufacturing under license products which fall within their field of operation, especially **bathroom/laundry-room fittings** and **gen-**

### Important Notice

Most member countries of the League of Arab States employ a secondary boycott against foreign firms which undertake certain specific types of business relationships with the State of Israel. The Commerce Department will not disseminate or make available for inspection any tenders or trade opportunity documents which contain conditions intended to support such boycotts, or which are based on documents known to contain such provisions. Trade or investment opportunities published herein are not presently known to be subject to such conditions. However, it is possible that U.S. firms responding to opportunities from Arab countries may be asked at some stage of a transaction to participate in an Arab boycott-related restrictive trade practice as defined in the Department's Export Administration Regulations (15 CFR, Part 369 et. seq.).

Firms are reminded that pursuant to Section 3(5) of the Export Administration Act of 1969, as amended, it is the policy of the United States (a) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States, and (b) to encourage and request U.S. concerns engaged in the export of articles, materials, supplies, or information to refuse to take any action, including the furnishing of information or the signing of agreements, which has the effect of furthering or supporting such restrictive trade practices or boycotts. Accordingly, U.S. concerns receiving such requests to participate in a restrictive trade practice or boycott are encouraged and requested to refuse to comply with them.

Firms are further reminded that U.S. concerns receiving requests to participate in a restrictive trade practice or boycott must report such request to the Department of Commerce in accordance with Section 369.4 of the above-cited regulations.

*Licensing and investment proposals from foreign firms are listed in these columns. Specific product interests in each proposal are highlighted in bold type to facilitate identification and each proposal is preceded by the appropriate four-digit product number taken from the Standard Industrial Classification (SIC) Manual.*

*Background information on opportunities abroad and assistance on overseas investments are available from the Overseas Products and Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. "P" numbers should be used when responding to any of the specific proposals listed.*

*WTDR indicates that a World Traders Data Report containing financial and background information on the foreign firm is available for $15 from the Export Information Division, Room 1313, U.S. Department of Commerce, Washington, D.C. 20230, or from any Commerce District Office.*

*OPIC indicates that the country involved is eligible for investment insurance coverage and financing from the Overseas Private Investment Corporation. Information regarding applicable coverage may be obtained from OPIC, Washington, D.C. 20527.*

**eral plastics/metal housewares.** Company employs 80, has 7 salesmen. R. A. LePage, Mng. Dir., Silverthorne Housewares Ltd., Silverthorne Lane, Cradley Heath, Warley, West Midlands DY1 4RL, England. P-76354.

**3443 — NEW ZEALAND** — Established steel fabrication firm is interested in licensing arrangement to manufacture **road tankers** (trailer type) for transportation of L.P. gas, and **storage tanks** for CO2 gas. Company requests contact by telex. M. J. Brennan, Mgr., Group Development, C.S.I. Engineering Ltd., P.O. Box 2129, Auckland. Telex: NZ 2495. P-76356.

**3500—UNITED KINGDOM**—Licenses or joint ventures to produce: **skid mounted machinery** such as pumping and engine modules; **package process installations** including metering systems, desalination units; and such **package utility installations** as compact steam raising plants are sought by important group. Established in 1912 for ship chandlery and fishing activities, organization has expanded into group of eight companies. Major activities include ship building and repair, engineering services to oil industry, fabrication of metal structures and pressure vessels, electrical and electronic repair and industrial property services. Firm is one of largest privately owned companies in Scotland. Employs 1,750. A. M. Petrie, Consultant, John Wood Group (Aberdeen) Ltd., Engineering Division, 186 Albert Quay, Aberdeen AB9 8AG, Scotland. P-76343.

**3523 — FRANCE** — Large corporation seeks license to manufacture **new, two way model diamond plow.** Firm produces steel foundries and farm equipment. Employs 1,750. Markets in France, U.K., Western and Eastern Europe and Middle East. Well managed, good commercial reputation. Jacques Chaussade, Foreign Trade Mgr., HUARD UCF, rue des Vauzelles, 44110 Chateaubriand. P-76344.

**3523, 3531—UNITED KINGDOM**—Major group engaged in ship building and repair, high quality fabrication, and marine engineering seeks to diversify. Interested in licenses or joint ventures to produce **agricultural equipment** such as elevators and silos; **mining equipment** including ore mills, magnetic separators; **cement handling equipment; baling machinery** (mechanical, hydraulic and electrical), **ship cranes and winching machinery.** Company also has considerable investment and interest in fishing, chandler supply, fish processing and consumer industries. Employs about 1,750. Future plans include new shipway to take vessels up to 220 ft., new plate handling and cutting equipment and fully equipped electrical and electronic overhauling and testing facilities. A. M. Petrie, Consultant, John Wood Group (Aberdeen) Ltd., Engineering Division, 186 Albert Quay, Aberdeen AB9 8AG, Scotland. P-76345.

**3531—GERMANY** — A leading manufacturer of **stone crushers, screens, steel structures and related machinery** seeks cooperative arrangements with U.S. companies. Firm is interested in producing equipment for overseas customers of American concerns, and participating in joint ventures and contract work in U.S. Established in 1908, Germany company employs 350. Mrs. Inge Schmidt-Sercander IBAG Vertriebs GmbH, Postfach 308, D-673 Neustadt/Weinstrasse. Telephone, 06321-13073; telex, 04-54844. P-76359.

**3533—FRANCE**—Seeks licensing agreement for manufacture of **stand-by gas treatment for nuclear power station.** Firm is producer of filtration equipment for gas treatment. Established in 1967. Sales volume for 1974 was $5.2 million. J. C. Lucas, Technical Mgr., Solfiltra Poelman, Societe Industrielle de Filtration, 71, Blvd. National, 92250 La Garenne Colombes. Telex, 630711; phone, 870-7373. P-76364.

**3535 — BELGIUM** — Manufacturer of mechanical constructions such as finished metal parts, mechanically welded boiler work appliances, seeks licensing arrangement to manufacture **handling and conveying equipment** such as elevators, pallets. Contact: Ms. Doris Atkind, Trade Promotion, European-American Bank & Trust Co., 10 Hanover Sq., New York, N.Y. 10005; telephone, 212-623-3600. P-76353.

**3541, 3714—FRANCE** — Seeks licensing arrangement for manufacture of **machines, tools and power transmission components.** Established in 1928. Firm is manufacturer and importer of tube and pipe milling machine tools, power driven hand tools, speed and industrial gears. Annual sales, $6.8 million. Mr. de Gaillard, President, Unicum S.A., 35, rue de la Bienfaisance, 75008 Paris. Telex, Cofupre 28 129F; telephone, 522-1564. P-76363.

**3544—NEW ZEALAND** — Seeks to contact U.S. plastic injection molding companies that may be prepared to consider licensing or leasing arrangement for **molds.** Company would particularly like to contact firms involved in plastic molding of items for plumbing and building trade and bottle crate and industrial container markets. New Zealand firm is specialized injection molding concern with extensive technical and engineering facilities in plastic molding ranging from 2-oz. to 9-oz. pressure. Firm owned jointly by two of largest industrial undertakings in New Zealand, manufactures such items as UPVC fittings for pressure, soil and waste, sewage piping systems, fittings for rainwater systems, water control valves, bottle crates and industrial bins, and plastic shelving, together with wide range of custom molded components for radio, TV, and home appliance industries. Write: Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-76357.

**3561—MEXICO**—Medium sized manufacturer of centrifugal and self-priming pumps for agricultural, industrial and residential use seeks to diversify. Is interested in license or joint venture to produce **pumps for moving concrete, primarily in construction projects, and injection pumps.** Firm is 100 percent Mexican owned, has no licensing agreements with U.S. firms. Alberto Michaelis, Gerencia de Ventas e Ingenieria, Industrias Sultana, S.A., Edison Norte 1458-A, Monterrey, Nuevo Leon. Telephone, 83-48-45-49. WTDR. P-76360.

**3576, 3622, 3679, 3823 — SWITZERLAND** — Firm seeks licensing arrangement for manufacture of **testing and measuring instruments, process controls, numerical controls, signal generators and amplifiers and electronic scales.** Established in 1950. Manufactures numerical controls using microprocessor techniques, motor speed controls, digital and analog electronic scales. Maurice Jaquet, Dir., Socapel SA, 1349 Penthaz. P-76358.

**3589—JAPAN**—Large textile firm seeks **unique, advanced technology in waste water treatment and related processes.** Interests include activated sludge process (new and effective disc process); pretreatment of sewage sludge (including heat treatment process); methods for drying sludge; regeneration of activated carbon used for waste water treatment; tertiary treatment of waste water removing oxygen; treatment of heavy metals contained in waste water and other processes. Firm employs over 7,000, operates 12 plants in Western Japan and maintains branch offices in Tokyo and Nagoya. Overseas Products and Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-76346.

**3589 — UNITED KINGDOM** — Large, diversified organization seeks license or joint venture to manufacture **effluent treatment and sewage disposal equipment.** Major activities include shipbuilding and repair, engineering services to oil industry, fabrication of metal structures and pressure vessels and electric and electronic repair. Established in 1912 to engage in ship chandler and fishing activities, group has expanded into eight integrated companies. Employs 1,750. Has product design and development facilities. One of the largest privately owned companies in Scotland. A. M. Petrie, John Wood Group (Aberdeen) Ltd., Engineering Division, 186 Albert Quay, Aberdeen AB9, 8AG, Scotland. P-76347.

**3631 — ECUADOR** — Interested in joint venture to **assemble small household electric appliances** — including waffle irons, coffee percolators, food blenders and mixers and electric irons. Seeks components, technical know-how and brand name from American licensor. Ecuadorean firm claims to have plant site and machinery available. Estimated annual production of above items is from 5,000 to 10,000 units. Company is largest household appliance importer and distributor in southern Ecuador. Juan Eljuri Ch., Gen. Mgr., Almacenes Juan Eljuri Cia.

Ltda., P.O. Box F, Cuenca. P-76355. OPIC.

**3644—INDIA**—Seeks license to manufacture **disc insulator fittings and conductor accessories for high tension power transmission lines in 220-600 kv. range.** Firm, prepared to purchase necessary machinery to initiate program, does not seek equity. Company presently produces insulators and fittings for transmission lines up to 220 kv. Believes there will be steady increase in capacity of high tension transmission lines. Plans call for annual production of 10,000 sets of special types of disc insulator fittings and accessories. Company manufactures malleable iron and aluminum castings, steel and aluminum forging and fabricated products for various state electrical boards. R. N. Jhunjhunwala, Modern Malleable Casting Works, 207 Mahrashi Debendra Rd., Calcutta 700070. Cable, MALLECAST; telex, 021-2602. P-76348. OPIC.

**3651, 3861 — UNITED KINGDOM** — Seeks collaboration with U.S. companies in conversion of **vehicles for mobile cinemas and public address systems.** Film producers, converters of mobile cinemas and public address vehicles, agents/distributors of 16mm. and 35mm. projectors and of video-tape recorders/projectors. R. E. Langham, Mng. Dir., British Films Ltd., 260 Balham High Road, London SW17 7AN, England. P-76362.

**3670—GERMANY**—Seeks license to produce and market **electronic pressure transmitters and sensors.** Established in 1948, firm currently manufactures thermometers and thermo-electric control and recording instruments. Employs 900. Herr Peter Juchheim, M. K. Juchheim GmbH & Co., Moltkestr. 13/31, Postfach 1209, D-6400 Fulda. P-76349.

**3674—AUSTRIA**—Seeks to contact U.S. companies desiring to market their products in international markets for following industries: **electronic components, devices, production equipment, and electronic instruments.** Firm is subsidiary of Cajavec Elektronik-Elektromechanik, Yugoslavia. Functioning as a buying and selling organization of its parent company, is experienced in arranging and executing barter transactions, triangle deals, sale and licensing of technical know-how, and marketing of industrial products. Write: B. Milosevic, Dir., CAMET Industrieproduktenhandelsgesellschaft m. b.H., Kaerntnerstrasse 21-23, Postfach 279, A-1015 Vienna. WTDR. P-76365.

**3714—MEXICO** — Experienced machine tool/metal products manufacturer seeks U.S. joint venture partners or suppliers of technology for new manufacturing facility to produce **diesel injectors for equipment in automotive industry.** Sr. Enrique Lozano, Dir., Maquinas Monterrey, S.A., Av. Colon Pte. 611, San Nicolas de los Garza, N.L. Telephone: 83-52-59-30. P-76368.

**3714—NEW ZEALAND** — Large public company, which supplies complete range of automotive parts and equipment to transportation industry, is interested in licensing arrangement for manufacture of **axles and suspension systems,** suitable for handling loads between 1,000 and 3,000 lb. Application of these systems is for axles and suspensions combined which are suitable for use on trailer homes, boat trailers, etc. Suspension should consist preferably of minimum of moving parts and be of material resistant to salt water corrosion. J. A. Wilson, Mgr., Motor Specialties Ltd., 80-90 Anzac Ave., P.O. Box 3201, Auckland 1. Telex: 2686. P-76352.

**3714—SPAIN** — Well established manufacturer in automotive industry seeks licenses and technical know-how to produce motor vehicle exhaust systems, i.e., **mufflers and pipes.** Company has its head office and plant in Polinya. Its modernly equipped plant has 6,000 sq. m. area, employs 175. Annual sales, about $10.5 million. Firm manufactures passenger car, truck and bus bodies, as well as other motor vehicle parts and accessories and assorted sheet metal work for auto industry. M. Luis Civit, Commercial Mgr., Estampaciones Sabadell S.A., Carretera Sentmenat, Km, 5, 8, Polinya (Barcelona). P-76350.

**3823 — UNITED KINGDOM** — Seeks licensing agreement for manufacture of **data transmission equipment** and particularly, **modems and computer peripherals.** Firm operates as manufacturer/agent of data transmission equipment, power supplies and medical diagnostic equipment. Established in 1964; current annual sales volume, $1 million. J. L. Anders, A. P. Electronics, 455 Sunleigh Road, Alperton, Wembley, Middlesex, England. P-76311.

**3829—UNITED KINGDOM**—Firm seeks licensing arrangement for manufacture of items compatable with its present range of products. Company presently manufactures **insulation testers, recording instruments, panel instruments and process timers.** Firm also acts as agent and distributor for these products and is subsidiary of Reyrolle Parsons Ltd. Dr. J. McGoegor, Managing Director, Edgcumbe Peebles Ltd., Main St., Bothwell, Glasgow, Scotland. P-76317.

**3841 — UNITED KINGDOM** — Seeks licensing arrangement for production of **analytical and biomedical products** for pathology laboratories. Firm, established 1965, operates as a holding company for group of subsidiaries in U.K. and Malaysia. Group activities cover manufacture of environmental test equipment, electronic and electro-optical instruments. H. M. Davis, Technical Manager, Plantation Holdings Ltd., St. Alphage House, 2 Fore St., London EC2Y 5DL, England. P-76312.

**3841—UNITED KINGDOM** — Firm seeks licensing arrangement with U.S. company for manufacture of **medical instruments.** Presently operates as manufacturer, importer and distributor of electronic medical instruments, optical, precision mechanical color measurement instruments, label printer, electrochemical potentiostats, wave form generators, linear sweep units and corrosion protection systems. J. Hambleton, Managing Director, Chemical Electronics (Birtley) Ltd., 39-40 Hutton Close, Crowther District 3, Washington, Tyne & Wear NE38 0AH, England. P-76313.

**3861—IRAN** — Seeks to expand existing **color film processing** laboratory into larger facility capable of serving all of central and southern Iran. Desires joint venture arrangement. Firm is also interested in exploring possibility of purchasing bulk photographic film and packaging it in Iran, either under his own brand name or that of supplier. Write: Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-76361. OPIC.

**3944 — UNITED KINGDOM** — Seeks licensing agreements for manufacture of **toys.** Firm manufactures toys and educational projects, exports worldwide. Richard Hall, Managing Director, Thomas Salter Ltd., Woodside Road, Glenrothes, Fife, Scotland KY7 4AG. P-76322.

## Licensing In U.S.

*For additional information on these opportunities to manufacture foreign firms' products in the United States under a licensing agreement or in partnership, write the Domestic Investment Services Staff, Bureau of International Commerce, Room 4020, U.S. Department of Commerce, Washington, D.C. 20230 (202-967-2248), referring to the appropriate file number.*

**AUSTRIA** — Firm offers manufacturing license for its **quartz UV lamps.** File 3002

**AUSTRIA**—Austrian firm offers manfacturing license for improved **sharpening machine for microtome knives.** Machine has three different movements which in combination produces knives of unusually long life. File 3003

**FRANCE**—French manufacturer of fire detection and fire fighting systems and alarms is seeking licensing agreement or association with U.S. firm to make its products in U.S. They include **fire fighting vehicles, hand operated jet sprinklers, injectors, projection process for fire fighting products, dry chemicals and foam compound.** File 3004

**FRANCE**—French inventor seeks U.S. licensee to manufacture his **braking device** in U.S. File 3005

**GERMANY** — Manufacturer of **printed cork wall coverings** (decorative and sound dampening) **sunrolls for window covering, speciality wall papers,** and other decorator items seeks joint venture U.S. partner. File 3006

**GERMANY** — Machinery manufacturer seeks U.S. licensee for its **twin-shaft compulsory mixer** which handles very fine and coarse mixes. File 3007

**GERMANY**—Civil engineer offers manufacturing license for his **fitness training apparatus** to be used in swimming pools. File 3008

**ITALY** — Well established Italian company making industrial furnaces for thermal treatment, casting furnaces, atmosphere generators, and lithographic equipment for printing on tin plate, seeks joint venture with U.S. firm in **metal construction and industrial installation.** File 3009

**NEW ZEALAND**—Large, well-diversified company seeks licensee for its **prefabricated houses.** Its technology is already licensed in Japan, Australia, and Malaysia. Company prefers contact with firms already involved with prefabricated buildings and/or significant producers of timber for building. File 3010

**ROMANIA**—Firm seeks two-way licensing arrangement with a U.S. firm to make and sell their **combination shear machinery.** File 3011

**SWITZERLAND** — Swiss firm offers manufacturing license for **folding, collapsible tool kit on wheels** which can easily unfold to serve as convenient tool rack when working and once knocked down does not take more space than conventional tool boxes. Kit can be made of plastic with steel bars, of stainless steel

sheet metal, or of cast aluminum. File 3012

**SWITZERLAND**—Manufacturing license is offered by Swiss firm for line of **household aerosols** including toilet bowl disinfectant, a pre-wash spot remover, a vitreous china bathtub, sink and tile cleaner/disinfectant and stainless steel sink and dripboard cleaner/polish. File 3013

**SWITZERLAND** — Inventor offers two manufacturing licenses: **Mortar and concrete liquid additive** to improve technical properties such as tensile strength, pressure resistance, waterproofing resistance; and **hydraulic press** for noiseless demolition of concrete walls. File 3014

**SWITZERLAND**—Electronic engineering firm offers for manufacturing under license in U.S. **automatic cable, flat cable, silicon tube cutting machines** used in electronics and computer industries plus several others. File 3000

**UNITED KINGDOM** — Company wants U.S. licensee to manufacture **remote-controlled CCTV-equipped tracked robot** for use in hazardous environments. File 3001

# Foreign Trade Inquiries

*These trade opportunities are based on reports received from the U.S. Foreign Service—Department of State by the Trade Opportunities Division, Room 2323, U.S. Department of Commerce, Washington, D.C. 20230. The commodities in which foreign firms have interest are indicated by the five-digit numbers and commodity classifications which are from the Standard Industrial Classification (SIC) Manual and the Numerical List of Manufactured Products, 1972 Census of Manufactures.*

*U.S. firms should be aware that the listing in* Commerce America *of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the Department of Commerce pursuant to the Export Administration Act of 1969. Applicable export licensing regulations must be followed.*

*Every effort is made to include only traders with good reputations. However, the Department cannot be responsible for any trade relations.*

*WTDR indicates that a World Traders Data Report on this specific firm is available at $15 from the Export Information Division, Room 1313, U.S. Department of Commerce, Washington, D.C. 20230. A WTDR is a trade profile which contains commercial information including financial references, on an individual foreign firm. Orders must include complete name and address of the subject firm and be accompanied by payment. Further information concerning WTDRs and request forms are available at each Commerce District Office.*

*The mark (•) indicates that this trade opportunity is a request for bids by a foreign government agency.*

## Direct Sales

### General building contractors

• **15400—SENEGAL**—Ministry of Public Works invites firms to bid for equipment for Dakar Industrial Training Center. Tender is divided into 6 lots and bidders may bid on one or several lots, but lots cannot be subdivided. Lot 1—Office Furniture & Equipment (Code A): metal office furniture; typewriters; duplicating office machines; office photocopying machines; circular slide projectors. Lot 2—Industrial & Domestic Refrigeration Equipment (Code B): cold room; compressors; ice making machines; ice chests; domestic refrigerator freezers; laboratory equipment; laboratory furniture. Lot 3—Electronic & Television Equipment (Code C): direct current motors; direct current synchronous motor generators; test equipment for electric motors; electrical measuring equipment; watt meters, ampere meters, volt meters; hand tools for electronic equipment; photoengravers for fabrication printed circuits; test equipment for radio-television & electronics. Lot 4—Machine Tools (Code D); turret lathe; engine lathe, 750 MM bed; slotting machines; Universal milling machine, 1000 x 250 MM; internal grinding machine; test benches for electric motors; test bench for diesel pumps; electro-pneumatic control/test equipment for machine tools; logical simulator; pneumatic diesel motor for diagnostic and adjustment of machine tools. Lot 5—Welding Equipment (Code E): gas cutting torch; propane fired oven for metal treatment, 900-1200 C; alternating current arc welding equipment; oxyacetyline welding equipment; soldering machine; hand tools for sheet metal extrusion. Lot 6—Building Trades Equipment (Code F): Tubular heating elements for industrial heaters; surveying equipment; grinding machines for metal and wood; pneumatic tools, and safe. Financed with International Development Association loan (Credit Agreement No. 530 SE) of $15 million. Suppliers must have local representation. Tender and specifications, all in French, available for $45 per copy from Amadou Lamine BA, Directeur Des Travaux Publics, Bureau du Project D'Enseignement Technique et Agricole, 47, Blvd. de la Republique, Immeuble Daniel Sorano, B.P. 822, Dakar. Refer to Bid No. 2/75/DTP/BPETA. Bid deadline July 6. Bids and correspondence must be in French.

### Heavy construction

• **162XXXX — NICARAGUA** — Empresa Nacional De Luz Y Fuerza (ENALUF) has secured a loan from IBRD, Banco Centro Americano de Integracion Economica (BCIE) and Venezuelan Investment Fund (FIV), for financing of Fuel Oil Pipe Line installation for Puerto Somoza Project. Pipeline consists of approx. 3,500 ft. of 18" diam. steel pipe, including valves, fittings, specialties & all supporting & anchoring structures. Contracts to be awarded under Phase VI will be for Fuel Oil Pipe Line and broken down into 2 bid units as follows: Bid Unit 1 (Contract A): Pipeline Material Supply—provides for manufacture, delivery, fabrication and c.i.f. transportation to Port of Corinto of all material required for pipeline. Bid Unit 2 (Contract B): Erection—provides for receipt at dockside, transportation, storage and erection at project site, all materials shipped under Bid Unit No. 1, as well as all labor and material required for erection of pipeline and foundations, including testing of completed work. Bid Unit 3: Bid for combination of Bid Units 1 and 2. Interested bidders requested to register in writing with Empresa Nacional De Luz Y Fuerza and their consultants, Kuljian Corp., at addresses below. Bidding documents available at Kuljian Corp. and ENALUF offices. Cost is $100 for 2 sets of bidding documents and 1 set of drawings. Additional sets of bidding documents available at $30 each. Bidder must submit 2 sets of completed bidding documents with bid proposals. Price of documents not refundable. Documents will not be issued after June 15. Bid due date is July 15. Kuljian Corp., 3624 Science Center, Philadelphia, Pa. 19104; Oficina De La Secretaria Del Consejo, Directivo, Pista De Enlace (By-Pass), Apartado Postal No. 55, Managua, D.N.

### Industrial chemicals

• **28190, 28330 — ETHIOPIA** — Government Tender No. 1 for 98 different pharmaceutical raw materials including vitamins, aspirin, caffeine, hydrochloric acid, antibiotics, and sulfonamides. Copies of specifications available for $4.88 from Buying Committee, Ethiopian Pharmaceuticals Manufacturing Co., P.O. Box 2457, Addis Ababa.

**28197XX, 2861XXX, 2873XXX, 28921XX, 3399111—SWEDEN**—5,000 m/t ammonium nitrate in crystals or prills; 3,000 m/t trinitrotoluene; 3,000 m/t sodium nitrate; 1,000 m/t aluminum powder; 300 m/t urea; 300 m/t guar gum. Products are to be used in a new plant being established in Panama by industrial group to which Nitro Nobel belongs. Prices should therefore be quoted c.i.f. Cristobal, Panama. Quantities mentioned above not expected to be needed until 1982. About 20% required by 1978. Inquirer is very large manufacturer of commercial explosives, detonators, etc. Annual turnover is approx. skr 210 million. Company is financially sound. Highly recommended contact. Reply to—Mr. M. Theorin, Nitro Nobel AB, Purchasing Dept., S-710 30 Gyttorp. Cable: Nitronobel; telex: 73342; tel: 0587/251 00.

### Glass products

**3229125, 3231637—EGYPT** — Glassware, beverage, dinner sets, mugs & bowls, fountainware, punch cups, wine glasses & decanters, salt & pepper shakers, storage jars, etc. Ovenware sets for food preparation. Wants supplier responses ASAP. Prices c.i.f., Alexandria, against L/C. Catalogs with price lists in initial re-

sponse. Large importer, also seeking distr. Reply to — Hamdy Hussein Ghoneim, Mgr., Hussein & Sons Co., Al Azhar St., Cairo. Tel. 90776.

**3229429—SOUTH AFRICA** — Glass containers for cosmetics. Gives Nedbank, Pretoria as financial ref. Firm apparently manufactures own line beauty treatment products & requires up to 10,000 containers annually for packaging. Jane Barrett, Dir., Jane Barrett Academy of Scientific Beauty, 1075 Louis Pasteur Bldg., Schoemann St., Pretoria 0001. Tel: 012/34992.

### Electrical equipment

• **32600, 36100, 36200, 36400, 38200—INDIA**—Director (Stores & Purchase), Bihar State Electricity Board, Vidyut Bhavan, Bailey Rd., Patna, Bihar, invites firms to bid on following equipment: Three phase distribution transformer, 11/KV/433/250 volts, 100 KVA 50 nos., 63 KVA 800 nos. and 25 KVA 1000 nos., tender No. IDA/RED/BSEB(S&P)-1/76. Aluminum conductors steel reinforced, 13 MM sq. 4500 kms., 20 MM sq. 5000 kms., 30 MM sq. 1500 kms., Tender No. IDA/REC/BSEB(S&P)-2/76. All aluminum conductors, 16 MM sq. 17,000 km., 30 MM sq. 1800 kms., Tender No. IDA/REC/BSEB(S&P)-3/76. Insulators, 11 KV porcelain pin insulators (with pin) 100,000 nos., 11 KV porcelain disc insulators with hardware fittings 24,000 nos., LT 415 volts porcelain pin insulators, with pin 200,000 nos., LT 415 volts porcelain shackle insulators with hardware fittings 136,000 nos., Tender No. IDA/REC/BSEB (S&P)-4/76. Energy meters, single phase, 2 wire 240 volts, 10 amps 10,000 nos., three phase, 4 wire, 415 volts, 10 amps 4,000 nos., three phase, 4 wire, 415 volts, 30 amps, 2,000 nos., Tender No. IDA/REC/BSEB(S&P)-5/76. L.T. capacitors: 2 KVAR 800 nos., 3 KVAR 200 nos., Tender No. IDA/REC/BSEB(S&P)-6/76. Quote c.i.f. Calcutta. Bidders must procure tender documents directly from address above prior to submitting offers. Refer to Tender Nos. in correspondence. Bid deadline Aug. 9.

### Steel mill products

• **33100 — MOROCCO** — 374,000 rubber sleeper-pads, 165 x 180 x 4.5, type 112; 310,000 rail rafters 132 x 200 x 4.5, Tender No. 65059, bid deadline June 22. Also, 1,367,500 rail tie-plates of eight different types, Tender No. 65058, bid deadline also June 22. Office National des Chemins de Fer, 2 Rue Halab, Rabat. Tender documents available at above address free of charge. Correspondence in French.

• **33100 — SOUTH AFRICA** — Design, manufacture, delivery and erection of direct reduction plant at Vanderbijl Park. Tender No. V309. Bid deadline Aug. 31. MC Van Heerden—Head Capital Buying, South African Iron and Steel Industrial Corp. Ltd., P.O. Box 450, Pretoria 0001. Only tenders for complete plant as specified available from above address against deposit of $288 (refundable upon submission of bona fide tender). Note that it is ISCOR policy to have manufactured, fabricated or supplied by South African sources all equipment, etc., as can be conveniently acquired in South Africa.

### Farm machinery

• **35230—IVORY COAST**—Soderiz, P.O. Box 2766, Abidjan, requests bids on following: Lot 1: Rice handling equipment and equipment for weighing, precleaning and cleaning. Lot 2: Ventilation: Lot 3: DT electric equipment. Specifications for bids can be obtained at above address or Sequipag, 152, Avenue Malkoff 750 16 Paris, Tel: 501.54 (telex) No. 630.243. Specifications cost 50,000 FCAF ($220), or 300 FF at Paris. Correspondence should be in French.

### Construction, mining, materials handling machinery, equipment

• **35300—BURMA** — Supply of one self-contained drilling rig capable of drilling to depth of 18,000 feet, complete with all drilling accessories, utility lighting and recommended spares for 18 months operation. Tender number 1(T) MCY-MOC / MD (76-77) CAP; bid deadline June 30. Cite "T-0083". Also, supply of four self-contained drilling rigs capable of drilling to depth of 6,000 feet, complete with all drilling accessories, utility lighting and recommended spares for 18 months operation. Tender number 2(T) MCY-MOC/MD(76-77)CAP; bid deadline June 30. Cite "T-0084". Managing Director, Myanma Oil Corp., 604 Merchant St., Rangoon. American Embassy, Rangoon, will forward copies of specifications and terms and conditions of supply to interested U.S. firms on request.

• **35300—INDIA** — Controller of Stores, Metropolitan Transport Project (Railways), 12 Mission Row, 3rd Fl., Calcutta 700001, invites firms to bid on 10 bentonite mixing plant and accessories. Quote c.i.f. Calcutta. Bidders must procure tender documents directly from address above on payment of Rs 30.00 ($3.36) prior to submitting offers. Refer to Bid No. S/35/76/GT. Bid deadline Sept. 3.

### Special industrial machinery

• **3559589—YEMEN** — Supply of stone cutting and stone working machines. Bid deadline June 15. Machine types to include block cutting and squaring machines; shaping machines for plate surface stones; stone cutting machines; multiblade cutters for marble, granite, and stones; sawing and polishing machinery. Payment against irrevocable L/C. Delivery within 6 months of date established in L/C. Prices to be c.i.f. Hodeida. Packaging must be in seaworthy boxes. Tenders available from H.E. Ali Luft Al Thor, Minister of Economy, P.O. Box 607, Sana. Financing to be provided with government funds.

### General industrial machinery

• **35600—MOROCCO**—Supply and installation of underground pipes and accessories for irrigation of nine districts in Upper Valley of the Souss, near Taroudant, total area of 6,300 hectares. Tender number 15-760RSM; bid deadline June 1, Monsieur le Directeur, Office Regional de Mise en Valeur Agricole, Du Souss-Massa, Rue des Administrations Publiques, B.P. 21, Agadir. Project financed by Moroccan Central Government Investment Budget. Firms interested may obtain bidding file from above address against payment of DH 500 (approximately $114) plus postage, by certified check to order of O.R.M.V.A. Du Souss Massa, ref: 15-76. Correspondence preferred in French.

• **35600—MOROCCO**—Supply and installation of three pumping stations including electrical equipment and pumping material composed of six 720 liter/second pumps and eleven 340 liter/second pumps; as well as necessary ventilating equipment, in sectors 20, 22 and 23 of Zemamra area, to irrigate total of 11,800 hectares. Tender number 41/76; bid deadline June 15. Monsieur le Directeur de L'O.R.M.V.A.D., Charia el Jamiaa el Arabia, El Jadida. Project financed by various external loans. Firms interested may obtain specifications and bidding file from O.R.M.V.A.D., Bureau des Marches, Charia el Jamiaa el Arabia, E1 Jadida, against payment of DH 200 (approximately $47) plus postage. Temporary guarantee of 1.5 percent to be deposited with bid. Correspondence preferred in French.

### Office, computing, accounting machines

**3574351—CANADA**—Cash registers, electronic & mechanical. Estab. 1972, services & retails new & used business equip. Small with volume in low 6 figures & 3 employees. Bank ref. is good & states firm favorably known in business equip. field in company's district. Reply to—John McGillvray, Burnaby Business Machines Ltd., 4061 East Hastings, Burnaby, B.C. Tel 604-298-8622.

### Electrical industrial apparatus

• **36240—INDIA** — Controller of Stores,

## Important Notice

Most member countries of the League of Arab States employ a secondary boycott against foreign firms which undertake certain specific types of business relationships with the State of Israel. The Commerce Department will not disseminate or make available for inspection any tenders or trade opportunity documents which contain conditions intended to support such boycotts, or which are based on documents known to contain such provisions. Trade or investment opportunities published herein are not presently known to be subject to such conditions. However, it is possible that U.S. firms responding to opportunities from Arab countries may be asked at some stage of a transaction to participate in an Arab boycott-related restrictive trade practice as defined in the Department's Export Administration Regulations (15 CFR, Part 369 et. seq.).

Firms are reminded that pursuant to Section 3(5) of the Export Administration Act of 1969, as amended, it is the policy of the United States (a) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States, and (b) to encourage and request U.S. concerns engaged in the export of articles, materials, supplies, or information to refuse to take any action, including the furnishing of information or the signing of agreements, which has the effect of furthering or supporting such restrictive trade practices or boycotts. Accordingly, U.S. concerns receiving such requests to participate in a restrictive trade practice or boycott are encouraged and requested to refuse to comply with them.

Firms are further reminded that U.S. concerns receiving requests to participate in a restrictive trade practice or boycott must report such receipt to the Department of Commerce in accordance with Section 369.4 of the above-cited regulations.

Diesel Locomotive Works, Varanasia (UP), India, has issued tender No. 31/01/006 for supply of graphite electrodes for spectographs, catalog number L-3809-8500 and graphite discs, catalog number 4072-73000. Bid deadline June 29. Copy of specifications available from Supply Wing, Embassy of India, 2536 Mass. Ave., NW., Washington, D.C. 20008.

### Communications equipment

• **36610 — PARAGUAY** — Division De Acquisiciones, Ande Departamento De Licitaciones, Calle Padre Cardozo 560, Asuncion, has issued tender no. Ande 122/76 for the supply of central office automatic dial telephone switching station, with capacity for 20 outside lines, 24 internal lines and 200 extension initially, and final capacity for double those numbers. Bid deadline June 21. Recommended that bids be submitted through agent registered with ANDE. Copy specifications available from address above at cost of Guaranies 3,150 ($25).

• **36620—THAILAND**—Foreign Purchasing Section, Electricity Generating Authority of Thailand, Nonthaburi, has issued tender no. B-018 for supply of mobile radio communications equipment. Bid deadline June 15. Copy of specifications available from address above at $25 per set.

• **36620—TURKEY**—TRT Kurumu Genel Mudurlugu, Genel Evrak Mudurlugu, Nevzat Tandogan Caddesi 2, Kavaklidere, Ankara, has issued tender for supply of mobile radio-TV link equipment. Bid deadline June 28. Copy of specifications available from Modern Translation Bureau, Karanfil Sokak 36/7 Yenisehir, Ankara, (Document ref. number 7900) for $25.

• **36620—ALGERIA**—Ministere De L'Information Et De La Culture, 119, Rue Didouche Mourad, Algiers, has issued tender no. 358/E for supply of four medium-wave radio transmitters. Bid deadline June 30. Copy of specifications available from Radiodiffusion Television Algerienne, Direction Des Services Techniques Et De L'Equipement, 21, Blvd. Des Mattyers, Bureau 359, Nouvel Immeuble, Algiers, or on short-term loan basis to firms located in U.S. from Science and Electronics Div., Room 1006, U.S. Department of Commerce, Washington, D.C. 20230, 202-377-5569.

### Electrical machinery, equipment, supplies

• **36930—SYRIA** — Damascus University, Materials Division, Damascus, has issued tender no. 2996 for supply of X-ray and ultrasonic equipment for use at maternity and gynecology hospital. Bid deadline June 17. Copy of specifications available from address above.

### Engineering, laboratory, scientific research instruments

• **38110—INDIA** — Controller of Stores, Metropolitan Transport Project (Railways), 12 Mission Row, 3rd Floor, Calcutta 700001, has issued tender no. S/34/76/GT for supply of 24 vibrating wire piezometers, 8 vibrating wire inclinometers, 80 vibrating earth pressure cells, and 144 vibrating wire strain gauges, with accessories. Bid deadline Aug. 18. Copy of specifications available at above address at Rupees $25 (U.S. $2.80).

### Watches, clocks, parts

**3873561—ITALY** — Quartz & electronic watches. Small wholesaler, retailer & distr. of household appliances, electric & electronic equip. Has branch office in Rome. Employs 12 & utilizes 5 vehicles for transportation of merchandise. Reportedly well managed & regularly meets commitments. Bank ref: Villafranca Tirrena Br. of Banco di Sicilia & Cassa di Risparmio. Recommended for business contacts with interested U.S. firms. Reply to—Dr. Guiseppe Bonanno, Mgr., Cam-Centro Acquisti, 98049 Villafranca Tirrena (ME). Tel Villafranca 962166.

### Toys, amusement, sporting goods

• **39400—ZAMBIA** — Supply of physical education equipment valued at approximately $110,000 for use in secondary schools including gym mats, exercise and track equipment, basketballs and volley ball nets. Buyer is government agency, obtaining World Bank loan for purchase. Project Director, Zambia World Bank Education Project, Unit I, P.O. Box 3370, Lusaka. Bid deadline July 16. Tender available at U.S. Department of Commerce, Washington, D.C., 202-377-2923.

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### Manufacturing industries

**3999944—THAILAND** — Cigarette lighters. Small limited liability partnership estab. 1975. Acts as importer of above plus car radios, antennas, speakers & auto supplies & equip. for local sales. Requests catalogs & c.i.f. prices. Reply to—Sutham Thamalaiviroj, Mng. Partner, Siam Tham Ltd. Partnership, 344 Third Floor, Siam Center Bldg., Rama I Road, Bangkok. Tel 513596.

### Scrap materials

**5093XXX — TAIWAN** — All kinds waste paper for re-pulping. Reply to—Mr. Henry Tsuei, Jung Hwa Enterprise Co., Ltd., Room 601, 54 Han Kou St., Sec. 2, Taipei 100. Tel 3818663.

**5093XXX—PAKISTAN** — Steel scrap in following description & quantities: rerollable scrap of billet ends, slab & sheet plate rejects, cobble plate, scrap ship plate & rails. Quantity 1,000 tons. Remeltable scrap of cast iron—car/truck engine blocks only. Quantity 500 tons. Value approx. $200,000. Medium size importer & sales indent agent of iron, steel & metals. Imports from Japan, U.K., & U.S. Wishes import for sale to others. Requests c & f Karachi quotations against L/C indicating delivery period & whether price quoted is free-out or liner terms. Employs 4, incl. 1 in sales. Reply to—Altaf Malik, Dir., Intex Engineering & Metals Ltd., 5/48 Al-Yusuf Chambers, Shahrah-e-Liaquat, Karachi. Cable Intexmet Karachi; tel 218656.

**5093XXX—PAKISTAN**—M.S. billet ends (seconds) in sizes of 50 to 80 milimeter. Quantity 1,500 tons. Value approximately $225,000. Firm is large manufacturer of M.S. round bars and cold twisted steel bars. Also imports billet ends and iron and steel scrap from Japan, W. Germany and U.K. Wishes to import for use in own factory. Requests c and f Karachi quotations against L/C, indicating earliest delivery period. Employs 40 including 3 in sales. Reply to—A. Azhar Sajjad, Mng. Dir., Baluchistan Steel Mills Ltd., 415 Mahboob Chambers, Abdullah Haroon Road, Karachi. Cable: "Ricsteel" Karachi; telex: Elco-kr-690; tel 291863, 291783 and 292932.

### Antique, secondhand stores

**5931XXX — EGYPT** — Supply of used clothing, cleaned and compressed in bales. Requests prices c.i.f. Alexandria. Shipping documents should be accompanied by test report. Orascom is large company dealing in used clothing from Europe; now seeks to deal with U.S. Write to—Onsi Sawires, Dir., General Engineering & Supplies Contractors Co., 160, 26th of July St., Cairo. Tel: 817658.

### Engr., arch. & surveying services

• **89110—MOROCCO**—Ministry of Agriculture issues bids for civil engineering work of Pumping Station Z1 of Zemamra area, including six 550 liter/second pumps, electrical equipment and necessary ventilating equipment. Project being financed by various external loans. Firms interested may obtain specifications and bidding file No. 40/76 from ORMVAD, Bureau Des Marches, Charia El Jamia El Arabia, El Jadida, Morocco, against payment of DH 200:00 (approx. $47) plus postage. Temporary guarantee to be deposited with bid 1.5%. Correspondence preferred in French. Bid deadline July 1.

# Future Construction Abroad

**YEMEN ARAB REPUBLIC** — Government is planning to build **factory to produce sheet glass** from locally produced silica and is seeking general contractors to bid on factory construction and supply of glassmaking machinery, equipment and parts. Plant should be in 5,000 tons/year category, the glass to be produced in various thicknesses and sizes. Bidders expected to specify delivery schedule along with complete layout plan, including construction, building and equipment proposals. Some training also expected. Offers may be written in English and by June 15, addressed to H. E. Ali Lutf al-Thor, Minister of Economy, P.O. Box 607, Sana. Supplementary information may be obtained either from above address or from Andras F. Behr, CAGNE/BIC, U.S. Department of Commerce, Washington, D.C. 20230, 202-377-4441. Interested firms also requested to inform the Economic/Commercial Section, American Embassy, Sana, c/o U.S. Department of State, Washington, D.C. 20520 and/or Andras F. Behr (see above). OPIC.

**MOROCCO—Ministry of Agriculture is seeking bidders for following projects:** A. Civil engineering work involved in construction of pumping station Z1 of Zemamra area, including six 550 liter/second pumps, electrical equipment and necessary ventilating equipment. Deadline July 1. Tender number 40/76. B. Supply and installation of irrigation hydrants required in sectors Z0, Z2 and Z3 of the Zemamra area. Deadline Aug. 2. Tender number 43/76. Project financed by various external loans. Interested firms may obtain specifications and bidding file from Monsieur le Directeur de l'O.R.M.V.A.D., Bureau des Marches, P.O. Box 58, Charia el Janiaa el Arabia, El Jadida, against payment of DH 200 (Approx. US $47) plus postage. Temporary guarantee to be deposited with bid is 1½ percent. Correspondence preferred in French.

Also, Ministry is preselecting firms wishing to participate in bidding for following: A. Construction of 3 pumping stations in sectors Z0, Z2 and Z3 of Zemamra area for irrigation of total of 11,800 hectares. This is primarily civil engineering project. Deadline for bids Aug. 2. Tender number 44/76. B. Supply and installation of mobile sprinkling irrigation equipment in same three areas. Deadline Aug. 2. Tender number 45/76. C. Supply and installation of sprinkling irrigation in above three areas including 296,700 linear meters of piping of various diameters. Deadline May 31. Tender number 46/76. Project financed by various external loans. Interested firms may obtain, free of charge, a descriptive note (note de presentation) including method of submission of requests, from address above. Correspondence in French preferred.

For additional details firms may contact Andras F. Behr, BIC/CAGNE, U.S. Department of Commerce, Washington, D.C. 20230, 202-377-4441. OPIC.

**TUNISIA**—Office National de Tourisme (ONT), 1 Avenue Mohamed V, Tunis, telex: 13028 ONT, Tunis, is prequalifying companies for construction of **two hotel schools and two training hotels** at Hammamet and Sousse. Each project expected to cost $2.7 million and will be financed jointly by Tunisian Government and IBRD. Projects divided into four lots: 1) foundations and main structure; 2) heating and air-conditioning; 3) electricity transformers; 4) equipment for kitchens, refrigerated storage, washing facilities. Interested firms must prequalify with Monsieur le Directeur General, ONT (address above), indicating which lots or sublots they wish to tender and providing following information: company statutes, volume of business in last five years, list of equipment proposed and/or personnel employed. Information must be submitted before June 29. Completion expected in 1977. Further details may be obtained from Direction des Infrastructures, ONT, 28 Rue de L'Inde, Tunis. Send copies of correspondence to: Ms. Cherie Loustaunau, CAGNE/BIC, U.S. Department of Commerce, Washington, D.C. 20230; 202-377-4441. OPIC.

**INDONESIA**—The Government's Ministry of Public Works and Electric Power has initiated a program of **highway and bridges construction** totalling some 12,000 kilometers throughout Indonesia continuing over next 4 to 5 years and building up to a further similar program of some 4,000 kilometers per annum. Application from contractors, including those previously prequalified for 1st phase of program, either in own name or as a joint operation, who wish to participate in 2nd phase involving approx. 625 kilometers of asphaltic pavement construction as well as bridge construction will be received at address below. Anticipated World Bank will assist in financing. International and Indonesian contractors are encouraged to form joint venture or joint operations and make maximum use of local suppliers in interest of developing in-country construction capability of labor-intensive technology where applicable. Contractor to prequalify must have identifiable senior project field supervision personnel with at least 10 years experience in modern road and bridge construction or, failing this, must be in joint operation, or joint venture, or have management contract with a contractor who can name and supply such personnel. Contractors who have formed joint venture, joint operation and/or management contracts with other contractors are required to submit copy of association agreement, which should include also a statement of their sharing of capital, together with prequalification documents. Contractors expressing intent to do so are required to mail a copy of agreement when completed to address below. Projects included in this phase of program are located in West and Central Java and Sumatra. Completed prequalification documents will be received not later than June 15. Prequalification documents must be obtained from Directorate General of Highways, Ministry of Public Works & Electric Power, Jl. Pattimura 20, Kebayoran Baru, Jakarta.

*The Overseas Private Investment Corp. (OPIC) offers political risk insurance to U.S. construction firms planning to submit bids on projects in certain developing countries, identified by the "OPIC" notation at the end of some items. For further information on OPIC's construction insurance program, write Information Officer, Overseas Private Investment Corp., Washington, D.C. 20527. Tel: 202-632-1854.*

# Representations

*Foreign private firms are interested in agency agreements and/or distributorships for these products.*

### Fisheries

**0913XXX—THAILAND** — Brine shrimp eggs for germination of shrimp feed. Requests c.i.f. (via air-freight) samples & specifications. Buyer is a leading importer and dealer for veterinary feed and feed supplement. Firm needs above mentioned product for local shrimp farm. Reply to—Smai Kantithammakorn, Mng. Dir., Vita Co., Ltd., 180 Siyaek Vorachark, Luang Road, Bangkok. Cable: Vitaco; tel 2224444, 2229607.

### Pottery, related products

**3261051, 3496998—UNITED KINGDOM**— Towel racks, soap dishes & cups, etc. Also wire kitchen goods. Part of Silverthorne Group Ltd., mfg. bathroom and laundryroom fittings, general housewares, furniture castors, & tap top adaptors (DIY). Exports to all areas except Central & S. America. Employs 80 with 7 salesmen. Wish represent U.S. companies for bathroom/laundryroom fitting & general plastics/metal housewares, particularly for DIY. Also interested in mfg. under license. Reply to R. A. Le Page, Mng. Dir., Silverthorne Housewares Ltd., Silverthorne Lane, Cradley Heath, Warley, West Midlands DY 1 4RL. Tel (0384) 60455; telex 336170; cable Gillott, Dudley, W. Midlands.

### Heating apparatus, plumbing fixtures

**343344X — SWEDEN** — Primus heaters. Est. annual sales of apout skr. 1 million. Est. 1975 to import & sell sporting goods. Payments have been made promptly. Reply to Bertil Rundgren, Mng. Dir., Aron Hellgren Trading AB, Kingstatan 32, S-11 35 Stockholm. Telex 17952; tel 08/23 30 70.

### Fabricated metal products

**3444505—AUSTRIA** — False floors for computer installations. Interested in exclu. sales rights for Austria. Estab. 1962, distributes industrial machinery & equip. & acts as mfrs.' rep. Small but active firm. Documented offers with price information requested. Reply to—Johann Mender, Owner/Mgr., Mender Ges.M.B.H., Seitenberggasse 17, A-1160 Vienna. Telex: 07/5663; tel: 46 86 99. Ref.—Oesterr, Credit-Institut, Vienna.

### Farm machinery

**3523583—UNITED KINGDOM** — Special equip. & accessories for all types of combine harvesters for different crops & particularly for bean harvesting. Interested in items for additional operator comfort. Sells through agricultural dealer trade. Small private co. estab. 1974 holds agency for German straw chopper for combine harvesters. Makes accessories for harvesters & seeks to represent U.S. mfgs. of additional lines. Reply to—T. W. M.

Law, Mng. Dir., Harvest Services Ltd., Helmdon, Brackley, Northamptonshire NN135QA.

### Special industrial machinery

**3559589— SWEDEN** — Electroplating machinery & equip. Small, well-estab. firm, financially sound. Recommended trade contact. Reply to—Karl Wolfgang Eulau, AB Dowo, Lundagatan 11, S-171 63 Solna. Cable Dowobloaget; tel 08/83 42 80.

### Office, computing, accounting machines

**3572020 — CANADA** — Rebuilt IBM, or equal, electric typewriters. Excl. dist. Distributes business & office equip. throughout B.C., both wholesale & retail. Financial ref. excellent. With associated companies, total employees number 31. Reply to—Art Skill, Pres., Modern Business Machines Corp., Ltd., 1131 W. Broadway, Vancouver, B.C. Tel 604-732-1311.

**3579545—CANADA**—Collators for photocopying equip. Excl. distributorship. Firm has been in operation since 1969; employs 8. Sells & services copying & microfilm equip., incl. imports from U.S. Operates in British Columbia & Alberta & would prefer excl. arrangements if possible. Reply to—Ray Pajunen, Pres., Copyflow Products Ltd., 126 W. 3rd Ave., Vancouver, B.C. Tel 604-872-0656.

### Service industry machines

**3586021—SWEDEN** — Chassis lubricating systems, i.e., central systems for motor vehicles. Has approx. 150 employees & annual turnover of skr. 30 million. Highly recommended trade contact. Reply to—Mr. Sven Erik Sjoberg, Alenco-Egnell AB, Fack, S-132 00 Saltsjo-boo. Cable: Motor Stockholm; telex: 11587. Tel: 08/715 02 40.

### Household appliances

**3634371—NEW ZEALAND** — Five-speed hand beater, approx. 100 watts, 220-240 volts, approx. 2 lbs shipping weight. Cost should be around $10.99. Should beater only be available in 110-120 volts it must be UL listed. Interested in obtaining distributor rights for Australia as well as New Zealand. Hoping obtain import licenses for up to $5,000 worth of these beaters. Write—Mr. B. D. Dunlop, Mng. Dir., B. D. Dunlop & Co., Box 6476, Te Aro, Wellington.

### Electrical lighting, wiring equipment

**3645761 — CANADA** — Desk lamps, medium price & quality. In business 8 yrs., recently moved into large quarters in Richmond, B.C., W. Canada. Sells by direct mail throughout W. Canada, & in B.C. on retail basis as well. Reference considers firm responsible for normal trade commitments. Services what it sells. Firm deals in business equip. & office furniture & considers reliability & continuity in suppliers extremely important. Excl. distr. Reply to—Robert Esson, Pres., Caltron Business Machines Ltd., 1264 Bridgeport Rd., Richmond, B.C. Tel 604 273-1831.

## Visiting Buyers and Officials

**AUSTRALIA**—A. Z. Spindler, Director for Beachwear, Aust. Pty., Ltd., 10 Grafton St., Chippendale, New South Wales 2008, will be in New York, June 22-26; Miami June 27-July 1; and San Francisco, July 2-6. He is interested in contacting manufacturers and wholesalers of **textiles suitable for swimwear and sportswear.** He may be contacted directly or through Terry Rettig, Room 2322, U.S. Department of Commerce, Washington, D.C. 20230, 202-377-3265.

**AUSTRALIA** — Robert Kinane, Managing Director, Electric Systems Pty., Ltd., 11 Cecil St., Paddington, N.S.W. 2021, is planning to visit the United States in July to seek a distributorship in Australia for **temperature controllers for hot oil and windings in electric power transformers.** He may be contacted through William Corfitzen, Room 2322, U.S. Department of Commerce, Washington, D.C. 20230, 202-377-2068.

**BANGLADESH**—Abdul Baten, Proprietor of Associated Partner, 116/11, Amir Market, Chittagong, is **interested in importing used clothing, and C.I., G.P. and plastic sheets.** He will be in the U.S. for approximately six months beginning May and may be contacted c/o Mr. Asrafullah, 451 Tomkin Ave., Brooklyn, N.Y. 11216, or through Terry Rettig, address above.

**ECUADOR**—Humberto Garcia A., Manager of Humberto Garcia Cia, Ltda., P.O. Box 630 Bahia de Caraquez, Ecuador, is interested in locating suppliers of **automotive vehicle spare parts.** He may be contacted directly or through Terry Rettig, address above.

**AUSTRALIA**—Ron C. Musgrave, Equipment Manager, Repco Auto Parts (N.S.W.) Pty. Ltd., 16 Raglan Road, Auburn, N.S.W. 2144, is interested in suppliers of **air-lifted tray-type car hoists, dynamometers for power take-off for farm tractors and equipment for realigning car tires.** Repco has 300 wholesale spare parts outlets in Australia. Musgrave plans to be in the U.S. beginning May 24 with following itinerary: San Francisco, Little Rock, Cincinnati, Washington, D.C., New York, Detroit, Chicago and St. Paul. He may be contacted directly or through Terry Rettig, address above.

**AUSTRALIA**—Bruce F. Gray, Director, Polyco Candle Co., Pty., Ltd., 2 Park Road, Alesandria, N.S.W. 2015, will visit the U.S. begining early June en route to the mid-year China, Glass and Gift Show in Atlantic City. His itinerary includes Los Angeles, San Francisco and New York. Polyco, primarily an importer and distributor of candles, is seeking additional sources for **candles, gifts and novelty items.** The company covers Australia. Gray may be contacted directly or through Terry Rettig, address above.

## Bahamas' Business Opportunity

A Nassau businessman wishes to represent a well-known U.S. mortgage guarantee company. Interested companies should write directly to: Stafford Missick, President, Deauville Corp., Ltd., P.O. Box N-7006, Nassau, Bahamas.


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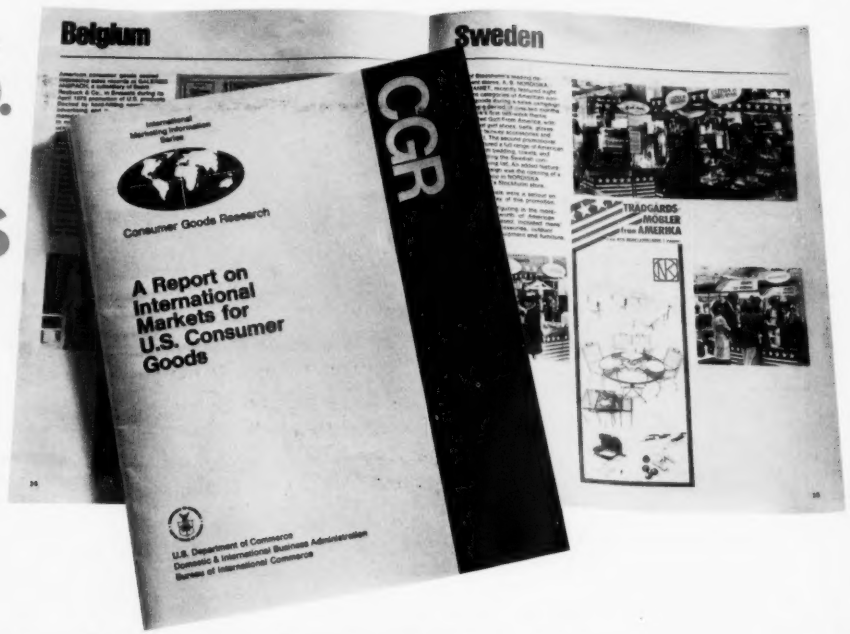


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